

ANNUAL REPORT

20²⁴₂₅



Film and
Publication
Board

Content Regulatory Authority of South Africa.





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PART A:

General Information

GENERAL INFORMATION

Registered name:	Film and Publication Board
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Email:	clientsupport@fpb.org.za
Website:	www.fpb.org.za
External auditors:	Auditor-General of South Africa (012) 426 8000
Banker's information:	Absa Bank (011) 501 5050
Council Secretary:	FluidRock Governance Group

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LIST OF ABBREVIATIONS

AIS	Africa Internet Summit
AGM	Annual General Meeting
APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
BCCSA	Broadcasting Complaints Commission of South Africa
BPR	Business Process Re-engineering
CAPEX	Capital Expenditure
CCMA	Commission for Conciliation, Mediation and Arbitration
CEO	Chief Executive Officer
COE	Compensation of Employees
COID	Compensation for Occupational Injuries and Diseases
COP	Child Online Protection
CPD	Corporation for Public Deposit
CSAM	Child Sexual Abuse Material
DCDT	Department of Communications and Digital Technologies
DFO	Durban Film Office
EXCO	Executive Committee
EAP	Employee Assistance Programme
ERMS	Electronic Records Management System
FARC	Finance, Audit and Risk Committee
FPB	Film and Publication Board
GOSRN	Global Online Safety Regulators' Network
GRAP	Generally Recognised Accounting Practice
HCBS	Human Capital Business Improvement Strategy
ICASA	Independent Communications Authority of South Africa
ICT	Information and Communication Technology
ICT4D	Information Communication Technology for Development

ICMEC	International Centre for Missing and Exploited Children
ITU	International Telecommunications Union
IEC	Independent Electoral Commission
INHOPE	International Association of Internet Hotline Providers
ISD	Institute for Strategic Dialogue
LEA	Law Enforcement Agencies
MANCO	Management Committee
MICSETA	Media, Information and Communication Technologies Sector Education and Training Authority
MoU	Memorandum of Understanding
MTDP	Medium Term Development Plan
NACF	National Anti-Corruption Framework
NCII	Non-Consensual sharing of Intimate Images
NGO	Non-Governmental Organisation
OCR	Online Content Regulation
PAYE	Pay as You Earn
PFMA	Public Finance Management Act (No. 1 of 1999)
PMDS	Performance Management Development System
PO	Purchase Order
SAOSYC	South African Online Safety Youth Council
SOC	Security Operations Centre
SCOPA	Standing Committee on Public Accounts
SITA	State Information and Technology Agency
T&SF	Trust and Safety Forum
TVET	Technical Vocational Education and Training
VOD	Video-On-Demand
.ZADNA	ZA Domain Name Authority



Foreword by Chairperson of Council

This report is aimed at providing the activities of the Film and Publication Board (FPB) for the year ended 31 March 2025. The report demonstrates our dedication to sharing our story, showcasing our performance, and acknowledging the efforts of all our stakeholders who have contributed to our success in the execution of our expanded mandate in terms of the Films and Publications Act (No. 65 of 1996) as amended by Act No. 11 of 2019. This mandate is to protect consumers against harmful and prohibited content as defined in the Act by regulating the creation, production, possession and distribution of films, games and certain publications, including those distributed via online platforms and the internet.

Child Online Protection

The Films and Publications Act criminalises the use of children in the production of pornography as well as the distribution and possession of Child Sexual Abuse Material (CSAM). In the 2024/25 financial year, the FPB received a total of twenty-five (25) new cases of CSAM. FPB's Child Protection Officers produced reports from the cases and material received after thoroughly analysing them. These cases are currently being heard in various courts across the country, and we are confident they will result in successful prosecutions.

A total of forty (40) public complaints were received from members of the public through the online reporting portal and thirty-three (33) of these public complaints was resolved within the required sixty (60) days turnaround period. Some of the complaints relate to non-consensual sharing of private images or films, commonly known as revenge porn which is one of the prohibitions outlined in the Act.

Protection of the most vulnerable including children against prohibited and harmful content online, continue to be a priority for the FPB in the 2025/26 financial year. The FPB will continue to partner with law enforcement agencies and empower them to successfully prosecute and use available penalties and fines provided for in the FP Act in conjunction with other relevant legislation.

Strategic Relationships

The FPB appreciates the strategic partnerships and support from various stakeholders including the Portfolio Committee on Communications and Digital Technologies, Department of Communications and Digital Technologies (DCDT), law enforcement agencies, other government departments and agencies, regulated entities and social media platforms. These partnerships are critical as we have realised that it is only through collaboration that we can be able to successfully deliver on our mandate and protect children from online harms. To this effect, in October 2024, three other regulatory entities (ICASA, .ZADNA and the Information Regulator) joined the FPB to launch the Information and Communications Technologies (ICT) and Media Regulators Forum of South Africa. The launch of the Forum marked a significant step towards fostering a united front in addressing digital and media challenges in the country.

The Forum aims to create a safer, fair, and more inclusive digital environment while promoting innovation and digital transformation. Under the theme "United for a Better Digital World," the launch emphasised the need for harmonised regulatory approaches in managing the complexities of regulating various sectors in the digital age. This unified approach reflects South Africa's dedication to building an inclusive digital ecosystem that empowers its people and ensures a sustainable digital future for all.

When the Films and Publications Amendment Act was promulgated in 2022, the FPB had to align itself to deliver on the expanded mandate. This necessitated a need to review the FPB organisational design and identify and prioritise critical positions and functions needed to deliver on the expanded mandate. This has led to increase in operational costs for the FPB which therefore mean that alternative revenue streams are required to enable the FPB to deliver on this expanded mandate.

Financial Stability

In the 2024/25 financial year, the FPB collected a little over R20 million of self-generated revenue from regulations fees. R18 million of this income was because of agreements concluded with online commercial distributors. We are hoping to increase this income in the 2025/26 financial year as online commercial distributors remain the FPB's big customers.

In pursuit of financial sustainability, the FPB has embarked on a transformative project in partnership with the Government Technical Advisory Centre (GTAC). This initiative focused on reviewing FPB's financial model with the objective of enhancing revenue streams and optimising costs. By re-evaluating our tariff structures and diversifying income sources beyond government grants, we are positioning FPB for long-term stability and growth.

Our achievements, milestones and challenges

Our achievements for the financial year ending 31 March 2025, included:

- The entity continued to support the law enforcement agencies in analysing child sexual abuse material (CSAM). This led to the conviction of offenders who had contravened the law and highlights the entity's role in building a world free of CSAM.
- The implementation of the compliance plan and deployment of the online system to monitor compliance, proactively identify prohibited online content, and address non-compliance issues.
- The FPB Hotline WhatsApp number and WhatsApp Channel was launched and is now operational. It can be used by members of the public to report matters to the FPB. The number is 083 428 4767, and the channel name is FPB Hotline.
- Prioritised projects in the digital roadmap were implemented, which included the upgrading of the FPB's server infrastructure to ensure business continuity as well as the deployment of the Security Operations Centre (SOC) to improve cyber security controls.
- Overcollection in self-generated revenue against forecasted budget which contributes greatly to the FPB's financial sustainability.

- Producing research reports covering critical areas such as effective gaming regulation; age verification to support child protection; media and entertainment industry economic and sector impact analysis; the impact of social media on online harms in South Africa; the attitude of consumers towards the FPB age ratings; as well as the impact of technology on the FPB's regulatory mandate.
- Through stakeholder engagement sessions, the FPB continued to engage with stakeholders and members of the public on the FPB's evolving work, as we worked towards fulfilling our expanded mandate.
- One of the biggest challenges was the closing of the financial year with a deficit. The FPB's expanded mandate as prescribed by the amendment Act is not funded and as a result, the organisation had to work with limited resources to deliver on its mandate.
- Leadership instability at executive management is also a challenge with the suspension and eventual dismissal of the Chief Executive Officer. This has led to the entity having Acting Chief Executive Officers with executives having to act on a rotational basis. The recruitment process to appoint the Chief Executive Officer on a permanent basis is a priority for Council.

Corporate governance

The FPB remains committed to creating long-term value for all its stakeholders and maintaining the highest standards of governance, ethics and social responsibility. In fulfilling this commitment, the FPB Council recognises its ultimate accountability for the entity's performance, acknowledging that strategy, risk, performance and sustainability are intertwined. Guided by the principles and requirements of the Films and Publications Act, as amended, the Public Finance Management Act (No. 1 of 1999), and the King IV Report on Corporate Governance for South Africa (published in 2016), the Council strives to ensure the entity's long-term sustainability and responsible governance.

Conclusion

We acknowledge the support and collaboration of all our stakeholders, including the Minister and the Deputy Minister of Communications and Digital Technologies, Council members, management and employees, industry partners, law enforcement agencies and the public, who have contributed to our success during the past financial year. We look forward to building on our achievements and continuing to protect consumers against harmful and prohibited content, while promoting a safe and responsible content creation and distribution environment.



Ms Zamantungwa Mkosi
Chairperson of Council



Overview and Executive Report by the Chief Executive Officer

The Film and Publications Board (FPB) is an entity of the Department of Communication and Digital Technologies (DCDT). It is a Schedule 3 A entity in terms of the Public Finance Management Act (No. 1 of 1999) and discharges its responsibility as prescribed of the Films and Publications Act (No. 65 of 1996) as amended by Act No. 11 of 2019.

The 2024/25 financial year has been tough, characterised by executive leadership changes as well as employee-related challenges. These led to low staff morale, amongst other things. The leadership team had to work hard to encourage employees to focus on the FPB's mission towards achieving a common goal of delivering on its key mandate, which is to protect the public and, most importantly children, against harmful and prohibited content. It is therefore encouraging to report that in spite of many challenges, the organisation managed to perform well. Our employees were committed and dedicated and lived up to the FPB's values. Through excellence and dedication, the FPB will continue to achieve good organisational performance and drive meaningful change in content regulation and digital safety.

In the 2024/25 financial year, 29 cases of non-compliant commercial online distributors were identified and various enforcement actions taken. To ensure the public, and specially children, are not exposed to prohibited and harmful content, 15 take-down notices were issued to social media platforms in line with the provisions of the Films and Publications Act.

To support compliance efforts, 20 Compliance Seminars were held with the industry. These seminars educate distributors about the FPB's registration requirements as stipulated in the Act. This exemplifies an approach of educating new entrants in the industry about compliance requirements. Support is also provided to assist distributors with the registration process. This is the FPB's contribution to facilitating the growth of industry by removing obstacles in the compliance processes. This does not mean, however, that the FPB would not take enforcement action when its regulations are ignored by industry.

Financial sustainability remains one of the challenges for the FPB. There is therefore a need to prioritise self-generated revenue from regulation fees. The expanded mandate in line with the Amendment Act has resulted in more financial and human resources required for the entity to be effective. There is also a need to deploy digital technologies including AI to ensure efficiencies in our core business operations.

Implementation of the Digitisation and AI Strategy with the aim of ensuring the FPB is an agile regulator in an ever-evolving industry is one of our priorities for the MTDP. The focus of the Strategy is on digitising key FPB operations such as content classification, compliance monitoring and deploying AI technologies to analyse Child Sexual Abuse Material. In the previous financial years, the FPB implemented a Digital Transformation Roadmap aimed at bringing FPB operations in line with the rapidly digitalising patterns in the production, distribution and consumption of media content.

This is also fuelled by our recognition that for us to live up to the expectations of a capable, ethical and developmental state, we must as a matter of urgency digitalise our operations. To this end a Online Content Monitoring System has been deployed to effectively monitor online platforms for harmful and prohibited content. The volume and frequency of prohibited content online calls for vigilant monitoring and this system will go a long way in achieving this objective.

The continued support of the FPB Council, stakeholders, management and all employees as well as renewed optimism and commitment to work together for the

benefit of the FPB is encouraging, as all of us look forward to the future. The road ahead is promising. Our focus will remain on ensuring the financial sustainability of the FPB, collaborating with strategic partners in rolling out our Online Safety Programme as well as working very closely with law enforcement agencies in protecting children online.



Mr Ephraim Tlhako

Acting Chief Executive Officer

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by the Auditor General.

The annual report is complete, accurate, and free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by the National Treasury.

The Annual Financial Statements (Part F) have been prepared in accordance with the GRAP standards applicable to the Film and Publication Board.

The Accounting Authority is responsible for the preparation of the annual financial statements and for the judgements made on this report.

The Accounting Authority is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In our opinion, the annual report fairly reflects the operations, performance information, human resources information and the financial affairs of the entity for the financial year ended 31 March 2025.



Ms Zamantungwa Mkosi
Chairperson of Council



Mr Ephraim Tlhako
Acting Chief Executive Officer

STRATEGIC OVERVIEW

The Films and Publications Act (No. 65 of 1996) as amended by Act No. 11 of 2019, as amended, repealed the Indecent or Obscene Photographic Matter Act (No. 37 of 1967) and the Publications Act (No. 42 of 1974). It created a new, comprehensive regulatory framework for films, games and certain publications. The Films and Publications Act, as amended, provides for the establishment of the Film and Publication Board (FPB), which is responsible for the classification of films, games and certain publications. No film or game may be distributed or exhibited in public unless it has been classified by the FPB.

The Films and Publications Act (No. 65 of 1996), as amended, is a “law of general application”, as required by section 36(1) of the Constitution. The Constitutional Court has held that such a requirement derives from an important principle of the rule of law, namely that “rules be stated in a clear and accessible manner”.¹

To this end, the Legislature may, and has, consistent with the Constitution, promulgated the Films and Publications Act, as amended, to regulate the creation, production, possession and distribution of films, games and certain publications, including those on the internet, by way of classification to do the following:

- a) Protect consumers against harmful and disturbing material, while allowing adults to make informed choices for themselves and the children in their care by providing consumer advice.
- b) Protect children from exposure to disturbing and harmful material and from premature exposure to adult material.
- c) Make the use of children in pornography and exposure to pornography punishable.
- d) Criminalise the possession, production and distribution of child pornography.
- e) Create offences for non-compliance with this Act.²

In doing so, the provisions of the Films and Publications Act, as amended, are justifiable, noting that the nature of the right and extent of the limitation, on the one hand, and the purpose of the limitation, on the other, need to be considered.³

Acknowledging that the freedom of expression is an important right in our Bill of Rights, there is nonetheless a legitimate government purpose to empower the FPB to execute its legislative mandate. The main purpose of the Films and Publications Act, as amended, through the regulatory tool used by the FPB, is to classify content to provide age ratings and consumer advisories to ensure that consumers make appropriate viewing and gaming choices for themselves and the children in their care.

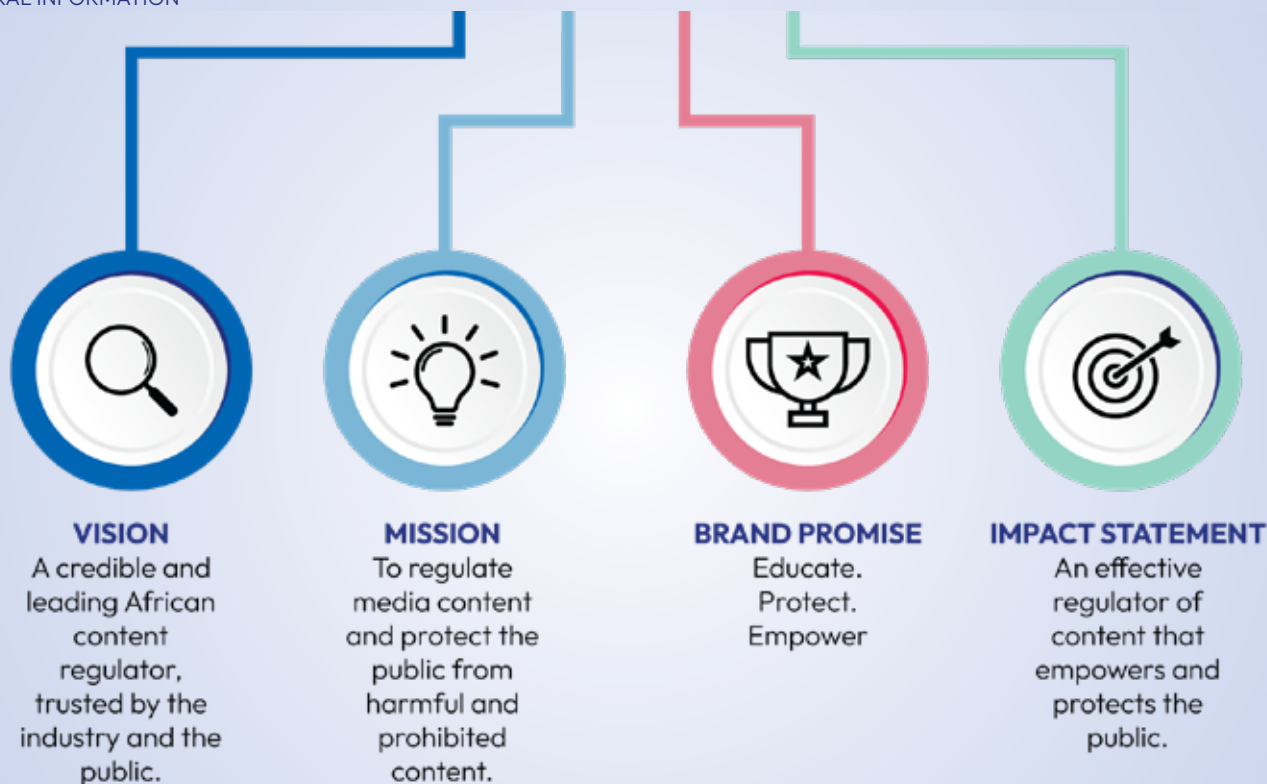
The FPB’s classification regime is premised on the formulation of classification guidelines,⁴ which is informed by empirical evidence on what can be deemed harmful for adults and children. The formulation of the classification guidelines entails extensive public consultation, ensuring that the standards placed within the classification guidelines are in line with public expectations. This means that the classification guidelines’ formulation process is evidence based, transparent and has accountability mechanisms, all of which are essential in the regulatory policy formulation of a democratic state. Such a process is undertaken, however, within the framework of the Bill of Rights so as to ensure compliance with Sections 8(1) and (3) of the Constitution, which provide, with regard to the former, that the Bill of Rights applies to all law, and binds the legislature, the executive, the judiciary and all organs of state; and with regard to the latter, that, in giving effect to the Bill of Rights, one must apply or, if necessary, develop the common law to the extent that legislation does not give effect to any right and develop rules of the common law to limit any right provided that the limitation is in accordance with section 36(1) of the Constitution.

¹ *Dawood and Another v Minister of Home Affairs and Others, Shalabi and Another v Minister of Home Affairs and Others; Thomas and Another v Minister of Home Affairs and Others* 2000 (3) SA 936 (CC); 2000 (8) BCLR 837 (CC) para 47.

² Section 2 of the Films and Publications Act, 1996 (Act No. 65 of 1996), as amended.

³ *S v Manamela and Another (Director-General of Justice Intervening)* 2000 (3) SA 1 (CC); 2000 (5) BCLR 491 (CC) paras 65–66.

⁴ Section 4A(1)(a) of the Films and Publications Act, Act No. 65 of 1996.



KEY PROJECTS

During the medium term, the FPB will drive the following strategic projects, which are set to transform it in line with the future regulatory landscape:

- Implementation of the Films and Publications Amendment Act (No. 11 of 2019), which has significantly expanded the mandate of the FPB, from a traditional classification authority to an online content regulator, whose future objective is to protect the country's citizens and children against harmful and prohibited content online.
- Transformation of the FPB as the future online content regulator in view of rapidly changing technological developments. The transformation of the FPB as the future online content regulator is set to locate and transform the FPB within the context of the changing regulatory landscape, by clearly outlining what the FPB should regulate and the model of its regulation.
- Implementation of the Digitisation and AI Strategy to ensure the FPB is digitally enabled to be an agile regulator. Ensuring financial sustainability of the entity by growing self-generated revenue through regulation fees. Leveraging on strategic partnerships and collaborations to roll out our Online Safety Education and Awareness Programme as well as working very closely with law enforcement agencies in protecting children online.

VALUES

TABLE 1: Values of the FPB

VALUE	DESCRIPTION
ACCOUNTABILITY	Promoting responsibility, transparency and credibility
INTEGRITY	Executing our mission with consistency, honesty and fairness
EXCELLENCE	Upholding professionalism, consistency, ethics and good governance in our operations and conduct with stakeholders
INNOVATION	Providing market-leading research and innovation to effectively shape the rating and regulation of media content
CONSULTATION	Subscribing to the principle of people first, value and respect for the diversity of views and multiculturalism in our country
AGILITY	A regulator that is dynamic and flexible in executing its mandate

LEGISLATIVE MANDATE

The mandate of the FPB is to protect consumers against harmful and prohibited content as defined in the Films and Publications Act, as amended, by regulating the creation, production, possession and distribution of films, games and certain publications, including those on the Internet.

FUNCTIONS, POWERS, AND DUTIES OF THE FPB COUNCIL

In accordance with Section 4A (1) of the Films and Publications Act, as amended, the FPB Council shall:

- a) In consultation with the Minister, issue directives of general application, including classification guidelines, in accordance with matters of national policy consistent with the purpose of the Act.
- b) Determine and issue a Code of Conduct for members of Council.
- c) In consultation with the Minister, appoint a Chief Executive Officer (CEO).
- d) In consultation with the Minister, determine the qualifications and experience, as well as terms and conditions, for the employment of classifiers.
- e) Appoint such number of classifiers that comply with the determinations as may be required, having regard to the likely volume of applications and submissions that will be made in terms of the Act.
- f) At least four times a year, review and report to the Minister on the functioning of the FPB to ensure that the objects of the Films and Publications Act, as amended, are implemented efficiently, and that the FPB discharges its obligations and responsibilities in accordance with the Act or any other law.
- g) Exercise and perform such other functions, powers and duties as are conferred to or imposed on the Council by or under the Films and Publications Act, as amended or any other law.

The legislative powers and functions of the FPB are summarised in Table 2.

TABLE 2: Powers and functions of the FPB

ROLE	DESCRIPTION (AND RELATED PROVISIONS)
Regulatory role	Regulate the creation, production, possession and distribution of films, games and certain publications. The Films and Publications Act, as amended, brings greater accountability and the Enforcement Committee as a legal instrument to strengthen the institution's ability to enforce compliance (section 3(1)(d) and (2).
Issue and renew classification and accredit distribution licences	Issue and renew classification licences and accredit distribution licences.
Classification and compliance monitoring	Impose age restrictions and give consumer advice on the content of films, games and certain publications, with due regard to the protection of members of the public, and, in particular, children, against disturbing and harmful content (Sections 18 and 21).
Prohibited content and illegal conduct online	Prohibit and penalise the distribution of content that amounts to prohibited content online.
Child protection	Make punishable the exploitative use of children in the pornographic (child sexual abuse material) content of films, games, certain publications and online material.

OUR GOVERNANCE STRUCTURE

The following organogram illustrates that the FPB Council is responsible for the strategic direction and oversight of the entity. The Executive Committee, under the leadership of the Chief Executive Officer is responsible for the day-to-day management of the entity.

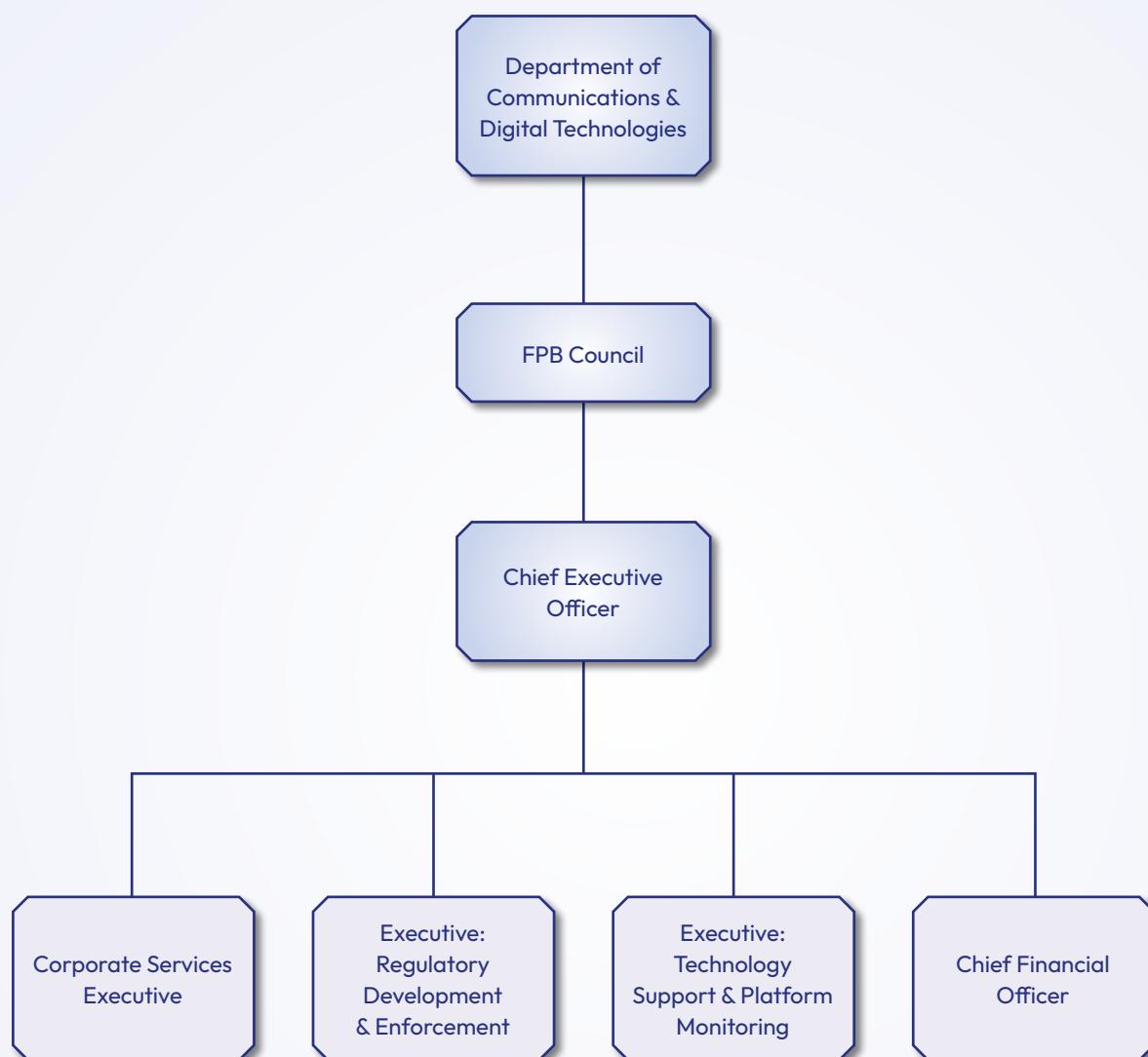
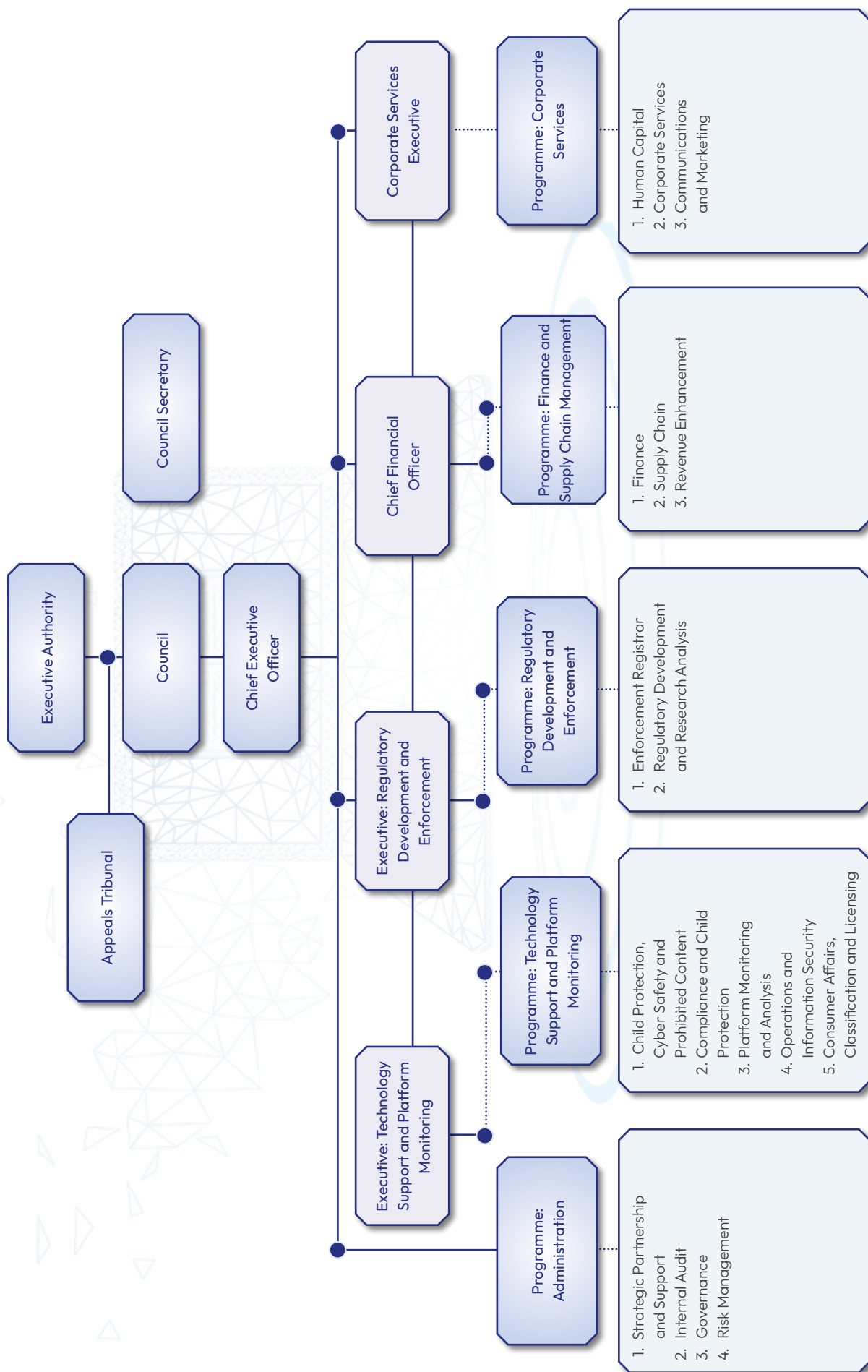


FIGURE 1: The responsibility of the FPB Council



Members of Council



Ms Zamatungwa Mkosi
Council Chairperson



Prof. Siyasanga Tyali
Deputy Council Chairperson



Mr Phosa Mashangoane
Council Member



Ms Maggie Pillay
Council Member



Ms Zanele Nkosi
Council Member



Ms Mpho Sedibe
Council Member



Dr Andile Nontso
Council Member



Adv. Tokyo Nevondwe
Council Member



Ms Lungelo Nxele
Council Member

Executive Committee



Mr Ephraim Tlhako
Acting Chief Executive Officer



Ms Hulisani Ramugadi
Chief Financial Officer



Mr Ephraim Tlhako
Executive: Technology Support
and Platform Monitoring



Ms Beverly Nkumanda
Corporate Service Executive



Adv. Makhosazana Lindhorst
Executive: Regulatory
Development and Enforcement



PART B:

Performance Information

Overview of performance

Service delivery

For the 2024/25 report period, the entity achieved 100% of its set annual performance targets.

This was made possible through the commitment and hard work of FPB employees, despite the budget constraints that could hamper the entity to deliver on its core mandate.

The FPB's biggest threat is becoming embroiled in controversies or legal proceedings that drain its already limited resources. The complex global debate between freedom of speech and social responsibility poses a significant risk to the FPB's mandate, as it can easily be pulled into politically charged issues that overshadow its core focus. Additionally, the FPB faces risks related to its collaboration forums and partnerships, particularly if its digital platforms fail to meet expectations. This could lead to a loss of trust and goodwill among stakeholders, undermining the FPB's ability to harness external resources.

Organisational environment

The FPB remains a small organisation with limited resources. It faced budgetary constraints, with dwindling primary revenue streams from content distributors. This resulted in an inward focus and defensiveness, impacting organisational morale. The budget constraints resulted in limited budget to implement integrated digital systems to support the FPB's evolving mandate. The organisation's inability to focus on key strategic areas without spreading itself too thin had the potential to undermine its operational efficiency.

The CEO was suspended from August 2024, and was subsequently dismissed in April 2025. An acting CEO was appointed, and the organisation's performance was not affected by the changes, as the other Executive positions were filled.

Key policy development

There were no major changes to relevant policies or legislation implemented by the FPB for the year under review.

Progress towards achievement of institutional impacts and outcomes

In terms of the Revised Framework for Strategic Plans and Annual Performance Plans (December 2019) of the Department of Planning, Monitoring and Evaluation, the annual output of a government institution must contribute towards the realisation of its medium-term outcomes and long-term impact outlined in its strategic plan. The outputs delivered by the FPB for the year under review were geared towards contributing to the its medium-term outcomes and long-term impact as stated below.

IMPACT STATEMENT

IMPACT STATEMENT

An effective regulator of content that empowers and protects the public.

OUTCOMES

OUTCOME	OUTCOME INDICATOR	BASELINE	TARGET
Organisational sustainability	Percentage implementation of the approved artificial intelligence strategy	New indicator	20% implementation of the Approved Artificial Intelligence Strategy
	Percentage projects in the Digital roadmap planned for the year implemented	86%	95% of projects in the digital roadmap planned for year implemented
	Approved Human Capital Business Improvement Strategy (HCBIS) implemented	65%	80% approved Human Capital Business Improvement Strategy (HCBIS) implemented

OUTCOME	OUTCOME INDICATOR	BASELINE	TARGET
	Percentage of prioritised and funded positions on the approved organisational structure aligned to expanded mandate filled	New indicator	90% of prioritised and funded positions on the approved organisational structure aligned to expanded mandate filled
	Percentage of self-generated revenue over total revenue	11%	12% self-generated revenue over total revenue
	Percentage implementation of the approved revenue enhancement strategy implementation plan	60%	70% implementation of the approved revenue enhancement strategy implementation plan
Enhanced public protection against harmful and prohibited content	Percentage of application for registration processed within 5 working days	100%	95% of application for registration processed within 5 working days
	Percentage of classification decisions issued within 7 working days	80%	80% of classification decisions issued within 7 working days
	Percentage of commercial online distributor applications for self-classification processed within 90 days	100%	90% of commercial online distributor applications for self-classification processed within 90 days
	Percentage of Quality Assurance conducted on new self-classified sampled content from commercial online distributors	New indicator	7% of Quality Assurance conducted on new self-classified sampled content from commercial online distributors
	Percentage of public complaints resolved within 60 working days	98,8%	75% of public complaints resolved within 60 working days
	Percentage of child sexual abuse and exploitation material cases assessed	New indicator	90% of Child Sexual Abuse and Exploitation material cases assessed
	Number of prioritised research projects concluded to support the mandate	3	Three prioritised research projects concluded to support the mandate of the FPB
Enhanced public protection against harmful and prohibited content	Percentage of enforcement action taken on identified / reported non-compliant distributor	New indicator	70% of enforcement action taken on identified/reported non-compliant distributors rephrased
	Percentage implementation of the annual compliance plan: rephrased	88%	70% implementation of the annual compliance plan
The public making informed content consumption choices	Percentage implementation of the integrated stakeholder engagement and communications plan	96%	100% implementation of the integrated stakeholder engagement and communications plan
	Percentage implementation of the Victims' Support Plan	New target	50% implementation of the Victims' Support Plan

Overview Of FPB's Performance

Technology and platform monitoring

The Technology and Platform Monitoring Programme (Programme 4) oversees the operations of the FPB and comprises the following five sub-programmes: Classification; Child Protection; Public Complaints Management; Platform Monitoring; and ICT Operations and Information Security. Collectively, Programme 4 is responsible for four annual performance indicators that are aligned to the FPB's strategic objectives.

Child protection

Section 18(G) of the Films and Publications Act, as amended, states that no person may create, produce or distribute, in any medium, including the Internet and social media, any films or photographs depicting sexual violence and violence against children. The Act is clear that any person who participates in the creation, production and distribution of films or photographs depicting sexual violence and violence against children shall be guilty of an offence.

During the 2024/25 financial year, 25 cases were referred and acknowledgement letters issued. Of these, the Child Protection officers produced 23 reports. Two cases contained a lot of content that had to be assessed, and were carried over to the 2025/26 financial year.

TABLE 3: Cases referred

	Q1	Q2	Q3	Q4
1.	Walmer Cas	Hartbeesport Cas	Honeydew Cas	Crystal Park Cas
2.	Wellington Cas	Silverton Cas		Makwassie Cas
3.	Krugersdorp Cas	Port Alfred		Kabega Park Cas
4.	Potchefstroom Cas	Galvendale		Worcester Cas
5.	Bothasig Cas	Lyttelton		Somerset West Cas
6.	Ladlsmith Cas	Mount Road		Mitchell Plein Cas
7.	Krugersdorp SECI	East London		
8.	Kraaifontein Cas	SECI Enq.		
9.	Magaliesburg Cas	PHO Cas		

The role played by child protection officers in the successful prosecution of CSAM cases is commendable. This highlights the FPB's role in online safety and ensuring that children are protected against harmful content. It is motivating to the FPB to realise that matters relating to CSAM contraventions are not thrown out of court, but are successfully prosecuted, proving that the Films and Publications Amendment Act (No. 11 of 2019) is actively being used for sentencing in these cases. To further cement its position in combatting the creation and distribution of CSAM online across the globe, the FPB is a member of the International Association of Internet Hotline Providers (INHOPE), a global network of hotlines working together to report such material and combat all forms of child sexual abuse material on the Internet. The FPB is also a member of the Global Online Safety Regulators Network (GOSRN). The content analysed versus CSAM discovered is provided in Table 4.

TABLE 4: Content analysed versus CSAM discovered

Case details	Content discovered	CSAM discovered
Walmer Cas	1,325	373
Wellington Cas	934	623
Magaliesburg Cas	122,697	0
Krugersdorp Cas	1,925	1,116
Potchefstroom Cas	47	4
Bothasig Cas	5,441	1,002
Ladlsmith Cas	4,841	0
Krugersdorp SECI	44	13
Kraaifontein Cas	149,094	553
Hartbeesport Cas	1,400	964
Silverton Cas	130	-
Port Alfred	1,300	160
Galvendale	1,090	0
Lyttelton Cas	1,800	7
Mount Road	3,040	1
East London Cas	1,756	205
SECI Enq.	3,944	2,319
Honeydew Cas	299	180
Crystal Park Cas 33-08-2024	1,139	110
Makwassie Cas 30-07-2023	39,021	11,363
Kabega Park Cas 109/2/21	11	11
Worcester Cas	10,000	0
Somerset West Cas	20,000	0
Mitchell Plein Cas	137,415	710
PHO Cas	31	31
Total	508,724	19,745

Feedback on court cases

The Child Protection team is responsible for aiding law enforcement on the determination of content that amounts to CSAM through content analysis. The FPB's involvement in this process is necessitated by the need to ensure that Section 24(b) of the Film and Publication Amendment Act (No. 11 of 2019) is adhered to. In summary, the section criminalises the creation, production, distribution, and possession of child pornography.

The involvement of the FPB in analysing CSAM and the outcomes of cases based on the organisation's involvement, cement the need for continued collaboration and partnership with Law Enforcement Agencies (LEAs), with the goal to build a CSAM free world as our main objective. Table 5 provides case details and outcomes referred to LEAs.

TABLE 5: Case details and outcomes referred to LEAs

	Outcome
Matlerekeng	A new date for the court will be announced as soon as placed on the court roll.
Boksburg North Cas /2020	The CPO attended court on 11, 12, 13, 17 March 2025
Jeffrey's Bay /2022	The CPO provided evidence in court.
Florida Cas 2019	The matter still on court roll.

Classification

During the year under review, 84,2% of classification decisions were issued within seven working days. This is an improvement compared to the previous financial year, when this performance target was not achieved. The deployment of the Online Content Regulation (OCR) system, as well as dedication from the team, has contributed to improvements in the classification function. There is, however, still a need to review the classification function in line with global industry trends and the benchmarking thereof with other classification entities around the world, especially as more content is consumed via online platforms.

The cost of classification is another area of concern, as the current tariff model is not sustainable for the FPB. The FPB has undertaken a process to review its tariff and self-revenue generation model, which will recommend the best way forward. With the automation of the classification process through the use of the OCR system,

it is anticipated that there will be a reduction in the cost of classification.

The deployment of the OCR system has led to some benefits and improvements in the classification process. However, some system challenges are being resolved on an ongoing basis to ensure that the system addresses all business requirements. There are also other positive changes to the classification process resulting from automating the process through the OCR system. For example, the deployment of the OCR system reduces the number of classifiers required to issue a classification decision. This results in cost savings and improved service delivery times.

Therefore, major benefits of the OCR system are improvements in classification decision turnaround time and the reduction of costs associated with the classification process, as classification decisions can be issued within 24 hours, and only one Classifier and one Quality Assurer are required to complete the classification process. Table 6 provides case turnaround times for 2024/25.

TABLE 6: Classification turnaround times for 2024/25

CLASSIFICATION TURNAROUND TIMES	Q1	Q2	Q3	Q4	Q1 - Q4 2024/25	%
Classified within 1 - 7 days (Less FF)	128	192	158	125	603	84,2
Classified above 7 days (Less FF)	44	33	8	28	113	15,8
Total Classified Decisions	172	225	166	153	716	
Percentage Classified within 7 days (Less FF)	74,4%	85,3%	95,2%	81,7%		

Public complaints management

The Public Complaints unit's objectives are to attend and prioritise investigation of all complaints received, as mandated within the legislative constraints of the Film and Publication Act No. 65 of 1996), as amended, and the FPB Regulations, dated 2 September 2022.

Received public complaints

During the 2024/25 financial year, the FPB through their reporting portals resolved 40 public complaints from members of the public. The public complaints unit managed to resolve 33 public complaints within the required 60 days turnaround target. There were seven complaints that went over the 60 days turnaround times for resolution.

Nine complaints are still pending and will be carried over into the first quarter of 2025/26. Of these nine complaints, one falls outside the turnaround times, while eight are still within the turnaround times for resolution.

The Public Complaints unit works closely with the Platform Monitoring, Compliance and Enforcement units to proactively monitor various platforms for harmful content and prohibited content as well as the Children Protection unit to attend to and resolve complaints received related to child pornography or CSAM. Table 7 provides the number of complaints resolved within and outside required turnaround times.

TABLE 7: Complaints resolved within and outside turnaround times

	Q1	Q2	Q3	Q4	TOTAL	%
Total complaints resolved	9	8	9	14	40	100
Total closed within turnaround times	7	7	5	14	33	82,5
Out of turnaround times	2	1	4	0	7	17,5

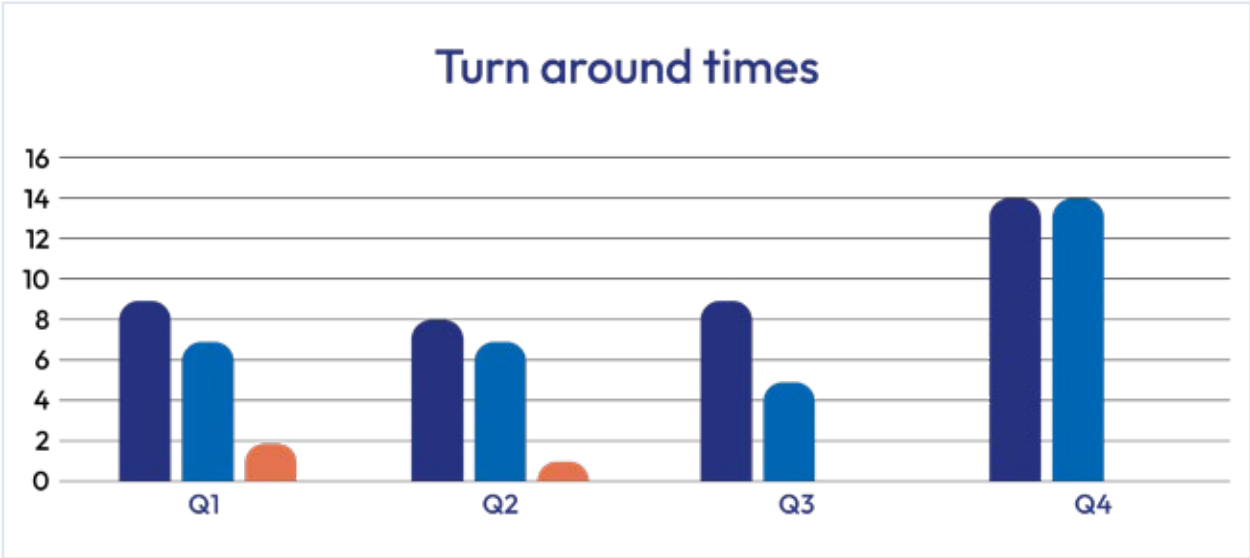


FIGURE 2: Turn around times

Platform Monitoring

Section 18C of the Films and Publications Amendment Act (No. 11 of 2019) states that the FPB may, on application and upon payment of the prescribed fee by a commercial online distributor, approve and accredit such commercial online distributor to conduct classifications of films, games and publications.

This is on condition that the commercial online distributor:

- applies the classification guidelines as determined by the FPB
- ensures that the decisions of the commercial online distributor comply with the requirements as may be set by the FPB from time to time

At the end of every month, the Platform Monitoring team accesses platforms to sample added Video-On-Demand (VOD) titles. Classification reports for the sampled titles are then requested for quality assurance purposes. Netflix, Showmax and MTN Cinemagic were the most sampled title requests during the 2024/25 financial year. Figure 3 below shows the number of films and series by commercial online distributors that were sampled.

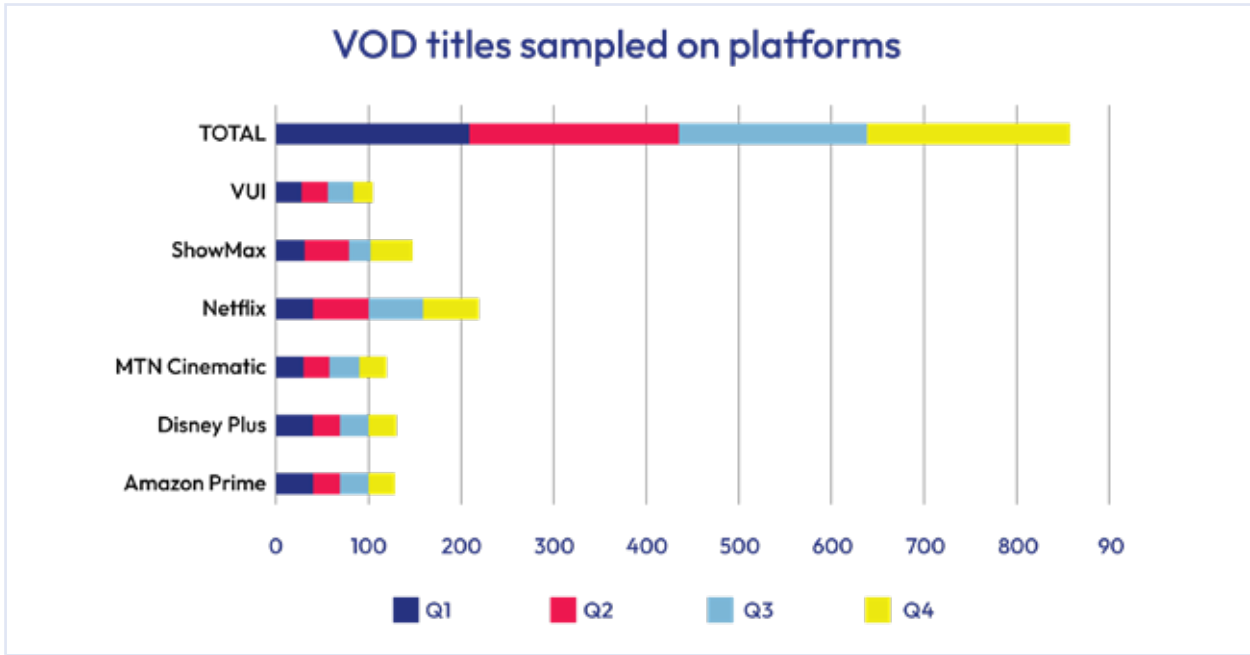


FIGURE 3: Films and series sampled during 2024/25

During the reporting period, a total of 853 titles were requested for sampling, 649 classification reports were received, of which 65 reports were quality assured. Quality assurance auditing was conducted on 10% of new, self-classified sampled content from commercial online distributors.

TABLE 8: VOD sampling and social media monitoring

	Q1	Q2	Q3	Q4	TOTAL
Sampled VOD's	210	226	201	216	853
Social media monitored	193	128	120	145	586

A total of 853 VOD titles were sampled from six registered commercial online distributors during 2024/25 as indicated in Table 8.

Amazon Prime	Disney +	MTN Cinemagic
Netflix	Showmax	VIU

To enhance the quality of some of the 65 classification reports, some online distributors were advised to undergo training in report writing, specifically to enhance their narratives, theme analyses, and unpacking of classification elements. The online distributors that received training were producing good quality standards reports. Distributors that still require training include Showmax and Disney Plus.

A total of 586 social media posts were monitored and tracked during 2024/25. These posts ranged from normal social media content to trending topics, where some topics were non-compliant. The non-compliant social media content was escalated to the Compliance and Enforcement Unit to issue take-down notices.

INHOPE ICCAM Hotline and FPB Hotline

During the 2024/25 financial year, a total of 154 reports were received via the INHOPE, ICCAM, and FPB Hotline reporting systems, and all reports were attended to and escalated accordingly. An FPB Hotline WhatsApp number (+27 83 428 4767) and a WhatsApp Channel (FPB Hotline) were created as another method of communicating with the public. The benefits of having the FPB Hotline include instant communication; an improved reporting mechanism; enhanced customer support; and outreach and engagements on issues relating to CSAM.

Non-compliant commercial online distributors

The Platform Monitoring team identified 29 non-compliant commercial online distributors during the reporting period, which were escalated to the Compliance and Enforcement unit to engage with the relevant registration processes.

ICT operations and security

A priority for the FPB was the implementation of the digital roadmap projects in line with its digital strategy. Seven digital transformation projects were prioritised for 2023/24. The following five prioritised projects were implemented:

- Data Analytics platform powered by Power BI: Through Power BI, a dynamic and user-friendly dashboard that provides real-time insights into operational data was developed.
- Security Operations Centre (SOC) utilising LogRhythm: A centralised Security Operations Centre was established, enhancing our ability to detect, prevent, and respond to cybersecurity threats. This project strengthened our cybersecurity posture and ensured that the organisation's digital assets were well protected.
- An Online Content Monitoring System to effectively monitor online platforms for harmful and prohibited content was deployed.
- Server Refresh: Critical server infrastructure was upgraded to improve reliability, speed, and scalability. This upgrade ensured that our systems can support current workloads while preparing us for future demands.
- Migration of the Electronic Records Management System (ERMS) to the Web: A successful transition of the ERMS to a modern, web-based platform significantly enhanced accessibility, system performance, and user experience.

The FPB's information and communication technology (ICT) environment remained highly available in the financial year, with no cybersecurity incidents reported.

Regulatory development and enforcement programme

During the 2024/25 financial year, the following three research projects were completed to support the mandate of the FPB:

1. Economic Impact Analysis

The purpose of the study was to conduct evidence-based research to understand the economic outlook of the ICT, Media and Entertainment (M&E) industry, to guide the FPB strategic planning and decision-making processes. The market insight analysed trends and developments in key M&E industry sectors will empower the FPB to adopt an appropriate regulatory strategic direction in response to identified potential market challenges, threats, risks, and opportunities.

2. Effective Game Classification in South Africa

Previous research has shown that parents generally are unaware of the age-ratings assigned to the games they purchase for their children, potentially facilitating premature exposure of their children to unsuitable gaming content. More importantly, there is a need to enhance our regulatory efforts. This project explored the blurring of the lines between gaming and gambling, as more and more games offer gambling-like incentives, in part to generate revenue for their own publications. The study also determined the appropriate regulatory framework to regulate games. Critically, the research study explored how games are classified in other jurisdictions, providing insight for enhancing the FPB's regulatory interventions in this area.

3. Age Assurance

Age verification (or Age Assurance) is critical for securing platform access by users, especially in digital environments where streaming of games, user-generated content, social media, and other interactive features are prevalent. Many digital platforms are subject to age-related regulations, such as those derived from the Films and Publications Amendment Act (No. 11 of 2019). These regulations impose restrictions on accessing age-inappropriate content by minors and require platforms to obtain parental consent or verify users' ages to ensure compliance. Implementing

age verification mechanisms such as the FPB's Age Assurance Strategy helps ensure that only users who meet the age criteria can access such content or services, thereby preventing underage exposure to age-inappropriate material. This study explored how other international jurisdictions approach strategies for Age Assurance and drew lessons for the FPB's Age Assurance Strategy.

REGULATORY DEVELOPMENT

The purpose of the regulatory instruments is to provide both primary and secondary regulatory instruments to guide the execution of the mandate the FPB. These instruments guide the industry on how to comply with the Films and Publications Act, as amended.. Furthermore, they assist the FPB to better regulate the industry. During the year under review, the rules of the enforcement committee were analysed and legislative gaps identified.

LAUNCH OF ICT AND MEDIA REGULATORS FORUM

On 10 October 2024, four prominent regulatory entities came together to launch the Information and Communications Technologies (ICT) and Media Regulators Forum of South Africa. The event marked a significant step towards fostering a united front in addressing digital and media challenges in the country.

The launch was a joint effort by the following organisations:

1. Independent Communications Authority of South Africa (ICASA): Regulating electronic communications, broadcasting, and postal services in South Africa.
2. .za Domain Name Authority (ZADNA): Overseeing the management and administration of South Africa's domain name space.
3. Information Regulator (South Africa): Upholding privacy rights and regulating access to information.
4. Film and Publication Board (FPB): Ensuring responsible content regulation to protect citizens, especially children, from harmful content.

REGISTRATION AND LICENSING

A target of 95% of licensing decisions issued within 5 working days was achieved during the financial year, with 100% of licensing decisions being issued within five days. With efficient processes in place, the relevant sub-unit managed to achieve its targets as per the required turnaround times. A total of 1 769 applications were processed within the five-day turnaround time. Figure 4 indicates the distribution of licence applications within and outside the turnaround times.

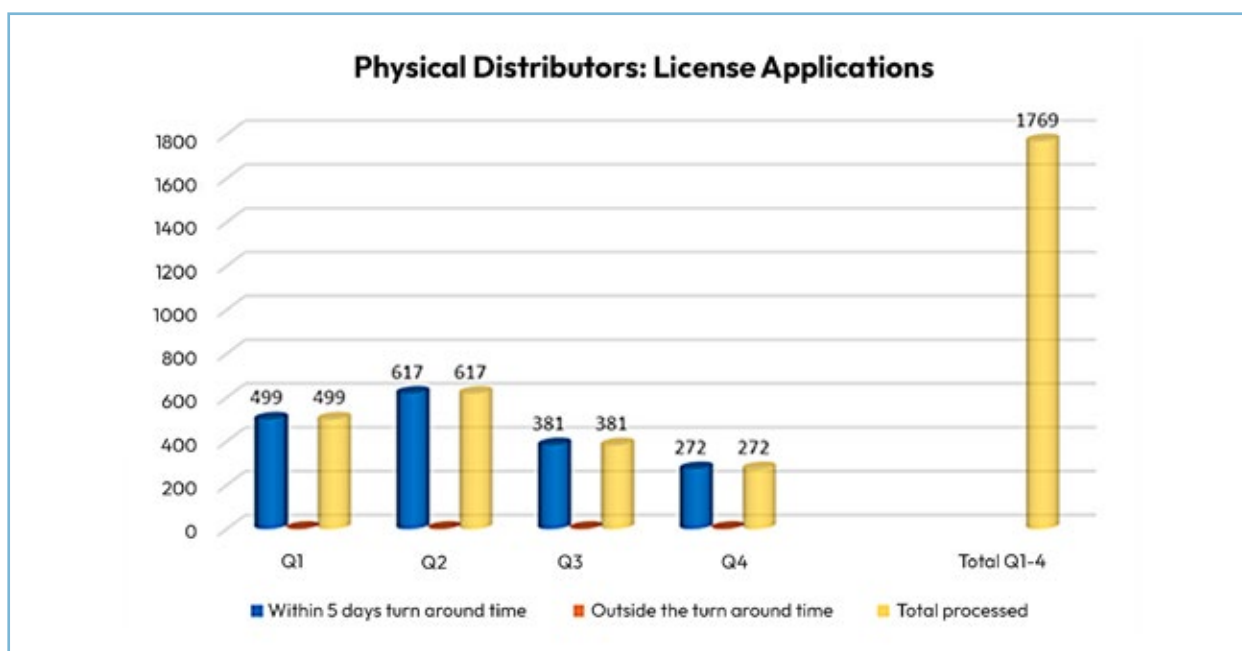


FIGURE 4: Distribution of license applications

ONLINE DISTRIBUTORS

With regard to the target of 90% of online distributor applications received and processed within 90 days, the FPB onboarded eight online distributors during the financial year. The online distributors included Apple, which had been non-compliant for more than four years. Apple was granted a permit and made payments for all the outstanding years that they had been operating without the FPB's permit. One distributor's permit expired and a new multi-year distribution permit was initiated just before the end of the financial year. This is expected to be concluded within the first two months of the 2025/26 financial year.

COMPLIANCE MONITORING AND ENFORCEMENT

COMPLAINTS

During the 2024/25 financial year the compliance monitoring team conducted 895 compliance inspections as per Table 9 and identified cases of non-compliance of which 128 Compliance Notices were issued to non-compliant distributors.

TABLE 9: Distribution of compliance notices

Inspections	Q1	Q2	Q3	Q4	TOTAL
Physical	186	185	203	194	768
Online	37	39	29	22	127
Combined Total	223	224	232	216	895

In order to ensure that children are not exposed to prohibited content, 15 take-down notices were dispatched to social media platforms in line with Section 77 of the Electronic Communications and Transactions Act (No. 25 of 2002) read with the Films and Publications Act (No. 65 of 1996), as amended.

Twenty compliance seminars were conducted with industry on the registration requirements under the purview of the Act. This approach aimed to create a compliance and enforcement regime that will assist the industry in becoming compliant, with a focus on less punitive measures, except where circumstances necessitate strict enforcement, in line with the conditions of the online distribution.

ENFORCEMENT

Table 10 reflects the enforcement statistics of the year under review.

TABLE 10: Enforcement

Non-compliance	Q1	Q2	Q3	Q4	Total
Physical non- compliance	42	24	26	19	111
Compliance notice on physical notices	42	24	22	10	98
Online non-compliance	19	23	12	5	59
Notices issued cease / desist	19	24	12	5	60
Raids	5	9	7	5	26
Take down notice	5	7	2	8	21
Referral to the Enforcement Committee	-	1	-	-	1

ENFORCEMENT COMMITTEE

During the financial year 1 (one) matter was referred to the Enforcement Committee.

The Enforcement Committee consisted of the following members:

1. Judge Thokozile Masipa – Chairperson
2. Mr Francois Beukeman – Member
3. Ms Nalini Maharaj – Member
4. Ms Goitsewang Mathebula – Member
5. Mr Nzumbululo Siphuma – Member

APPEAL TRIBUNAL

Three matters were referred to the Appeal Tribunal for adjudication. The Appeal Tribunal upheld the FPB's classification decision in two of the matters brought before it and confirmed the age-rating and consumer advice of 16DLH (SV) V and 10-12 PG respectively, while overturning the FPB Classification of 16 LNPS(SV) with 13L SV in one matter.

Expanding the FPB's footprint

Integrated stakeholder engagement

The FPB's Communications unit is responsible to discharge functions relating to stakeholder engagement; outreach; advocacy; and communications and marketing. These sub-disciplines, when implemented in an integrated and collaborative manner, culminate in the effective management of the reputation and brand image of the organisation.

The goal of the Integrated Stakeholder Engagement and Communications Strategy is key to achieve the organisation's long-term vision, and can be summarised as high visibility, and high impact in:

- Communication that informs and transforms.
- Mobilising stakeholders both internally and externally, as advocates of the FPB's key messages.
- Key messaging as it relates to the Films and Publications Amendment Act, as amended.
- Message delivery that is tailored to the content consumption behaviour of the public and creates measurable impact.
- Exploring the use of innovative technologies and platforms to convey key messages.

The integrated multi-channel communication approach ensured that the FPB reached the focused stakeholder groupings delineated in the stakeholder ecosystem map, as seen in Figure 5.

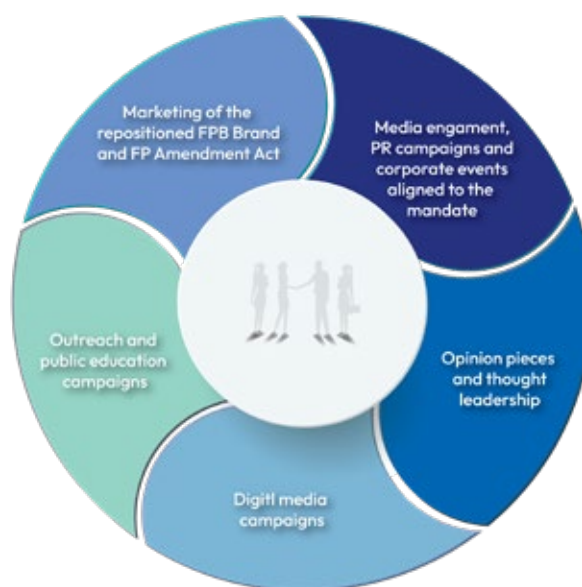


FIGURE 5: Integrated multi-channel communication approach

Advocacy and outreach achievements

A total of 308 workshops were conducted, as reflected in Table 11.

TABLE 11: Advocacy and outreach workshops conducted

Workshop Type	Total Conducted	Male	Female
LEA	33	319	266
Distributor	8	211	30
Parents	36	506	1,064
Educators	56	330	768
Cinema	31	108	199
Learner Outreach	80	10,182	10,844
Cinema Activation	8	19	36
Vulnerable Groups	22	2,101	1,153
Stakeholder Engagement	25	549	778
Youth	9	192	417
Communities	0	0	0
Total	308	14,517	15,555

Law Enforcement Workshops

The FPB facilitates law enforcement workshop to educate law enforcement officials on the process of child sexual abuse material analysis, as carried out by the FPB mobilises the SAPS to participate in dialogue on the investigation of child sexual abuse and exploitation material; raise awareness about the mandate of the FPB as it relates to the creation, distribution, and possession of CSAM (legally referred to as Child Pornography) and the fight towards a CSAM-free world; learn about the extent and proliferation of CSAM reports within the province and how the SAPS handles and processes CSAM and Raids cases.

The organisation exceeded this requirement by conducting 33 LEA workshops in the financial year.

Stakeholder engagements on CSAM

The aim of stakeholder engagements was to bring together child protection experts in government, civil society and non-governmental organisations to discuss the current state of Child Online Protection, focusing specifically on the topic of child online safety; child sexual abuse and exploitation; and the creation and distribution of content depicting such. The FPB has a vested interest in combatting CSAEM with the end goal of a CSAEM free

world. This can only be realised if there is buy-in from and collaboration with stakeholders. When stakeholders are given an opportunity to meaningfully contribute to developing the process and planning of any planned intervention, they tend to pledge their support as they become aware of the value of their contribution towards the end goal.

Child protection stakeholder engagements were aimed at creating dialogue about child sexual abuse material, which plays a crucial role in effectively addressing this issue. These engagements fostered mutual understanding, trust, and cooperation among various sectors involved in combating child sexual exploitation and abuse. It enabled stakeholders to collaborate, share knowledge, and work towards common goals. By engaging in structured discussions, stakeholders could align efforts, enhance awareness, and develop comprehensive strategies to prevent and respond to child sexual abuse material. Stakeholder dialogues were essential for creating a coordinated approach, improving support services for survivors, raising awareness among the public, professionals, and policymakers, and ultimately, driving accountability in combating child sexual exploitation and abuse.

Media engagement

To support the above, the unit took a strategic approach to work closely with community media outlets to ensure that the organisations message reaches a diverse audience. The campaign also reached urban radio stations and increased the footprint of the FPB. This campaign has assisted the FPB to increase its Advertising Value Equivalent (AVE), namely the value of free publicity in various media, should it have been paid for advertising, in the 2024/25 financial year as reflected in Table 12 below.

TABLE 12: Advertising Value Equivalent for 2024/25

Media Platform	AVE R	Circulation	Clip Count
Print	3,849,480.44	998,555	48
Broadcast	4,545,045.19	14,691,476	74
Online	5,551,292.22	331,273,435	151
Total	13,945,817.80	346,963,466	273

Digital Media Campaign

The FPB continued to utilise social media platforms to grow its footprint. As per its Digital Media plan, the FPB continued to conduct campaigns towards reaching its mandate, resulting in an increase in engagement on our social media platforms (see Table 13).

TABLE 13: Social media campaigns

FINANCIAL YEAR 2024/25

	No. of Posts	Reach	Engagements	Impressions	New Followers	Total Followers
	330	346,310	62,987	577,265	909	11,204
	No. of Posts	No. of mentions	Profile Visits	Impressions	New Followers	Total Followers
	451	5,253	136,802	326,492	122	5,777
	No. of Posts	Reach	Engagements		New Followers	Total Followers
	268	16,421	16,206	0	288	2,843
	No. of Posts	Page Views	Searched	Impressions	New Followers	Total Followers
	187	8,148	9,972	80,275	905	5,853
TOTALS	1,236	376,132	225,967	984,032	2,224	25,677

Launch of FPB Hotline WhatsApp Number and Channel

The FPB Hotline WhatsApp number, 083 428 4767 and WhatsApp Channel, called the FPB Hotline, were operational and used by members of the public to report issues of concern. The public channel currently has 100 followers, where information sharing takes place and plans are in place to continuously grow the number of followers on this channel. This new form of reporting will assist the FPB Hotline to have instant communication with the public, enhanced customer support, and improved reporting mechanisms. A combined total of 38 calls and WhatsApp messages came through the FPB Hotline in Quarter 4.

STRATEGIC PARTNERSHIPS AND COLLABORATIONS

Invitations and engagements attended:

Invitations received from stakeholders and attendance thereof are reflected in Table 14:

TABLE 14: Invitations received and attendance

International engagements	Date	Outcome of engagement
INHOPE	29 October 2024	Enhanced collaboration using ICCAM platform, which enables the swift and seamless exchange of CSAM reports between hotlines and across jurisdictions. This securely exchange CSAM between hotlines facilitates a faster removal process of harmful material online
GOSRN	13 November 2024	Sharing information, best practice, expertise, and experience, to support coherent and coordinated approaches to online safety issues.
Ghana Child online safety	20 January 2025	Meeting for collaboration on SID 2025 held with Ghana child online safety.org on 20 January 2025
BRICS	9 July 2024	BRICS discussion on Child Protection Alliance formation to be tabled at 2024 Summit
SIC+	10 July 2024	SIC+ meeting attended to discuss online/digital safety needs for the African Region
ITU	17 July 24	ITU SG17 COP meeting attended to exchange views and promote and work on the subject matter; and Report to the Council annually on the activities of the working group on child online protection.

ANNUAL PERFORMANCE INFORMATION

The FPB Annual Performance Information Report outlines its 2024/25 Annual Performance against the approved Annual Performance Plan (APP). The strategic focus areas of the entity were revised and developed to achieve the objectives of the Film and Publication Amendment Act (No. 11 of 2019) and the expanded mandate of the organisation.

The APP has 17 targets which were monitored during the financial year. A 100% achievement of the APP targets was realised.

NON-CORE BUSINESS PROGRAMMES

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for Deviation
Organisational sustainability	Human Capital management excellence achieved	Percentage (%) of approved Human Capital Business Improvement Strategy (HCBIS) implemented	HC Business Improvement strategy (HCBIS) and implementation plan approved at Council and implementation commenced.	65% of the HCBIS implementation plan complete.	80% of approved Human Capital Business Strategy (HCBIS) Implemented	80% of approved Human Capital Business Strategy (HCBIS) Implemented.	Achieved	N/A
		Percentage (%) of prioritised and funded positions on the approved organisational structure aligned to expanded mandate filled.	New indicator	New indicator	90% of prioritised and funded positions on the approved organisational structure aligned to expanded mandate filled.	90% of prioritised and funded positions on the approved organisational structure aligned to expanded mandate have been filled for the 2024-2025 financial year.	Achieved	N/A

NON-CORE BUSINESS PROGRAMMES

Outcome	Output	Output indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for Deviation
Organisational sustainability	Maximize non-government revenue	Percentage (%) of implementation of the approved revenue enhancement strategy implementation plan	New indicator	60% of the approved revenue enhancement strategy plan implemented	70% implementation of the approved revenue enhancement strategy completed	70% implementation of the approved revenue enhancement strategy completed	Achieved	N/A
		Percentage (%) of self-generated revenue over total revenue	18% of self-generated revenue over total revenue	15% of self-generated revenue over total revenue	12% self-generated revenue over total revenue	The organisation has achieved 18% self-generated revenue over total revenue	Achieved	Back billing for online distributors for previous years
Organisational sustainability	Digital transformation	Percentage (%) of projects in the digital roadmap planned for the year implemented	Approved Digital Transformation Roadmap	86% of projects in the digital roadmap planned for the year implemented	95% of projects in the digital roadmap planned for year implemented	100% of projects in the digital roadmap planned for year implemented	Achieved	Five projects were planned and five were achieved.
		Percentage (%) of implementation of the approved artificial intelligence strategy	New	New	20% implementation of the approved artificial intelligence strategy	20% implementation of the approved artificial intelligence strategy completed	Achieved	N/A

CORE BUSINESS PROGRAMMES

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation form planned target to Actual Achievement 2024/2025	Reasons for Deviation
Enhanced public protection against harmful and prohibited content	Mandated content regulated	Number of prioritised research projects concluded to support the mandate	New indicator	Three (3) prioritised research projects concluded to support the mandate of the FPB	Three (3) prioritised research projects to support the mandate of the FPB concluded	Three (3)	Achieved	N/A
		Percentage (%) of public complaints resolved within 60 working days	New indicator	98,8% of public complaints resolved within 60 working days	75% of public complaints resolved within 60 working days	83% of public complaints resolved within 60 working days	Achieved	Awareness created on the FPB mandate resulted in receiving more complaints which resolved within set timelines.
		Percentage (%) of commercial online distributor applications for self-classification processed within 90 days	90% of commercial online distributor applications for self-classification processed within 90 days	100% of commercial online distributor applications for self-classification processed within 90 days	90% of commercial online distributor applications for self-classification processed within 90 days	100% of commercial online distributor applications for self-classification processed within 90 days	Achieved	All applications which were due for renewal were renewed and finalised.
		Percentage (%) of quality assurance conducted on new self-classified content from commercial online distributors	New indicator	New indicator	7% of quality assurance conducted on new self-classified sampled content from commercial online distributors	9,4% of quality assurance conducted on new self-classified sampled content from commercial online distributors	Achieved	The sampled titles increased due to the number of new content added to the platforms

CORE BUSINESS PROGRAMMES

Outcome	Output	Output indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation form planned target to Actual Achievement 2024/2025	Reasons for Deviation
Enhanced public protection against harmful and prohibited content	Mandated content regulated	Percentage (%) of classification decisions issued within 7 working days.	70.1% of Classification Decisions issued within 7 working days	81% of Classification Decisions issued within 7 working days	80% of classification decisions issued within 7 working days.	84% of classification decisions issued within 7 working days	Achieved	More material was received and classified within set timelines
		Percentage(%) of application for registration processed within 5 working days	Rephrased indicator	99% of application for registration processed within 5 working days	95% of application for registration processed within 5 working days	100% of application for registration processed within 5 working days	Achieved	All new and renewed registration were received and finalised within set timelines
		Percentage (%) of child sexual abuse and exploitation material cases assessed	New indicator	New indicator	90% of child sexual abuse and exploitation material cases assessed	92% of child sexual abuse and exploitation material cases assessed.	Achieved	All material received from SAPS were assessed on time.
		Percentage (%) of the annual compliance plan	New indicator	88% implementation of the annual compliance plan	70% implementation of annual compliance plan	90% of the annual compliance plan implemented.	Achieved	Online non-compliance necessitated the additional compliance monitoring

CORE BUSINESS PROGRAMMES

Outcome	Output	Output indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for Deviation
Enhanced public protection against harmful and prohibited content	Mandated content regulated	Percentage (%) of enforcement action taken on identified/ reported non-compliant distributors	New indicator	New indicator	70% of enforcement action taken on identified/ reported non-compliant distributors	97%	Achieved	Collaborative compliance monitoring which led to high number of enforcement actions taken
		Percentage (%) of implementation of the integrated stakeholder engagement and communications plan	Rephrased from public education plan	96% of the integrated stakeholder engagement and communications plan implemented	100% implementation of the integrated stakeholder engagement and communications plan completed	100%	Achieved	N/A
		Percentage (%) of implementation of the victim support plan	New indicator	New indicator	50% implementation of the victim support plan	50% of the victim support plan implemented.	Achieved	N/A

INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Programme 1: Administration

Purpose: The programme provides coordinated strategic leadership, management and support for the FPB to deliver on its mandate.

The sub-programme consists of the following units:

1. The **Office of the CEO** is responsible to support programmes and report on organisational performance to the Council and coordinates strategic partnership engagement to ensure that the organisation delivers on its mandate.
2. The **Risk Management and Compliance** unit's primary role is to safeguard the FPB's interests and to ensure that all its actions and decisions are legally compliant with the Constitution, enabling legislation and other applicable laws. The Unit further promotes good governance through ensuring effective risk management, including fraud risk management, compliance and ethics management, and business continuity.
3. **Internal Audit** provides an independent assurance and consulting services to FPB by evaluating the adequacy and effectiveness of governance, risk management and internal control processes, enabling Finance, Audit and Risk Committee to fulfil its oversight responsibilities effectively and management to make informed strategic decisions on the achievement of the organisation's outputs and outcomes.

Outcomes, Outputs, Output Indicators, Targets, and Actual Achievement

The units responsible for Programme 1 have to submit four quarterly reports on performance information, and a verification certificate by internal audit, to the Council committees and the Executive Authority. The reports include the Monitoring Reports on Strategic

and Operational Mitigation Plans, submitted by the Risk Management and Compliance unit; the tracking of audit findings and the implementation of the approved internal audit plan. Internal Audit strengthens the Film and Publication Board's (FPB's) ability to create, protect, and sustain value by providing the Finance, Audit and Risk Committee (FARC) and management with independent, risk-based, and objective assurance, advice, insight, and foresight. This mandate is carried out through a systematic and disciplined approach by evaluating the adequacy and effectiveness of FPB's governance, risk management, and internal control processes.

To support the Accounting Officer and the FARC in fulfilling their oversight responsibilities, the Internal Audit completed 19 audits during the year under review. These audits covered key areas which included performance management and performance information; financial management; supply chain management, ICT governance; operations; and compliance. All audits were executed in accordance with the approved Internal Audit Coverage Plan, as endorsed by the FARC.

Audit activities included:

- Auditing the control environment and issuing internal audit reports that identified key weaknesses and recommended improvements across various FPB processes;
- Conducting follow-up audits to assess the implementation status of recommendations made by the Auditor-General South Africa (AGSA) and Internal Audit;
- Providing ad hoc advisory and consulting services to management;
- Delivering an overall opinion on the effectiveness of the FPB's internal control environment; and
- Coordinating combined assurance activities across the organisation.

TABLE 15:

Outcome	Output	Output indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation form planned target to Actual Achievement 2024/2025	Reasons for Deviation
Enhanced public protection against harmful and prohibited content	Mandated content regulated	Percentage (%) implementation of the victim support plan	New indicator	New indicator	50% implementation of the victim support plan	50% of the victim support plan implemented	Achieved	N/A

Linking performance with budgets

TABLE 16:

Programme/activity/objective	2023/2024 Budget R'000	2024/2025 Budget R'000	(Over)/Under Expenditure R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Programme 1 - Admin	24,065	23,760	-2,471	22,423	1,336
Total	24,065	23,760	-2,471	22,423	1,336

Programme 2: Corporate Service

Purpose: To provide support functions such as HR, finance, legal services and governance to enhance organisational capacity and ensure efficient operations, enabling the FPB to achieve its strategic goals.

The sub-programme consists of the following five units:

1. The **Strategy and performance monitoring and evaluation** unit is responsible for organisational and programme planning to ensure alignment of departmental plans with the relevant government priorities; and monitor and evaluate organisational approved plans and reporting.
2. The **Communication** unit provides communication services and products that increase the organisation's share of voice amongst its consumers and customers. Monitoring the media environment and coverage received allows the FPB to gain a better understanding of the communications environment in which it operates and develop counter strategies that inform the impact of key messages. The unit facilitates the FPB's participation in its international programme, which is aimed at staying abreast of regulatory developments, and to equip the FPB with current, relevant information and developments in selected areas of expertise to support the regulatory programmes and to advance the national interest.
3. The **Human Capital** unit is tasked with building a fit-for-purpose organisational structure, with the capacity to lead the execution of FPB functions and create a conducive work environment. The unit ensures that the FPB plans for required human resources and recruits the right talent for the right positions at the right time. It also oversees the continuous development of talent to maintain the required levels of competence in the organisation, and creates a conducive environment that enables employee engagement and promotes a high-performance culture.
4. The **Facilities** unit is responsible for ensuring the maintenance optimal use of the FPB's physical infrastructure, resources, and facilities, through the efficient and effective provision of facilities and support services.
5. The **Corporate Legal** unit is responsible for providing legal advice and support to the organisation, ensuring compliance with applicable laws and regulations. Key functions include contract management; litigation; legal advice; drafting and vetting of regulations; regulatory documents; contracts; policies; provision of legal opinions; as well as management of litigation.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

As the regulatory environment becomes more complex, the FPB prioritised the mobilisation of an ecosystem of stakeholders committed to protecting children from online harm. This ecosystem consisted of partnerships with civil society, technology companies, government institutions, and international bodies.

Key initiatives included establishing forums where stakeholders such as parents, educators, caregivers, academic researchers, and industry associations could provide input on regulatory frameworks and educational programmes. These forums supported the FPB's public education efforts, reaching a broader audience. By fostering collaboration across a diverse set of stakeholders, the FPB was able to expand its capacity and address the growing challenges of content regulation in the digital age.

Over the medium-term, the **Facilities** unit will implement the statutory obligation on Occupational Health and Safety (OHS), by implementing the OHS plan as part of its contribution towards the organisational service delivery-maintained outcome. This includes continuous improvement of office ergonomics for optimum employee productivity; the efficient allocation and management of infrastructure, resources and facilities across the organisation; the provision of safety and security to organisational resources and assets; the optimum location of its premises for service delivery; and improved client experiences at its premises.

The **Human Capital** unit forms a central part of the FPB's capacity to deliver on its policy and legislative mandates and ensure that it makes a meaningful contribution to government priorities. Employee vacancies need to be at 10%, and employees have to be trained to keep abreast of international thinking in their respective fields of expertise. Compliance with the necessary human resources industry norms and standards, government policies and legislative prescripts is required, and staff morale must always be at a level that necessitates productivity.

In compliance with the Employment Equity Act (No. 55 of 1998), the organisation will continue to ensure that women are represented in its professional employee structures to share opportunities for career development and equitable growth. The FPB's Strategic Employment Equity Plan, inclined towards equity in line with the policy of non-discrimination in recruitment, career progressions and training, guides the filling of vacancies.

TABLE 17:

Outcome	Output	Output indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for Deviation
Organisational sustainability	Human Capital management excellence achieved	Percentage (%) of approved Human Capital Business Improvement Strategy (HCBIS) implemented	HC Business Improvement strategy (HCBIS) and implementation plan approved at Council and implementation commenced.	65% of the HCBIS implementation plan complete.	80% of the HCBIS implementation plan complete.	80% of the HCBIS implementation plan complete.	Achieved	N/A
		Percentage (%) of prioritised and funded positions on the approved organisational structure aligned to expanded mandate filled.	New indicator	New indicator	90% of prioritised and funded positions on the approved organisational structure aligned to expanded mandate filled.	90% of prioritised and funded positions on the approved organisational structure aligned to expanded mandate filled.	Achieved	N/A
Enhanced public protection against harmful and prohibited content	Mandated content regulated	Percentage (%) of the integrated stakeholder engagement and communications plan	Rephrased from public education plan	96% of the integrated stakeholder engagement and communications plan implemented	100% of the integrated stakeholder engagement and communications plan implemented	100% of the integrated stakeholder engagement and communications plan implemented	Achieved	N/A

Linking performance with budgets

TABLE 18:

Programme/activity/ objective	2023/2024			2024/2025		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme 2 – Corporate services	45,180	40,601	4,579	25,972	25,784	187
Total	45,180	40,601	4,579	25,972	25,784	187

Programme 3: Finance

Purpose: To ensure the long-term financial stability of the FPB by developing and managing revenue streams, optimising resource allocation, and reducing dependency on Treasury grants, enabling the organisation to fulfil its regulatory mandate effectively

The sub-programme consists of the following three units:

1. The Management Accounts unit is responsible for budgeting and maintenance of the integrity of the FPB's books of accounts, in line with relevant legislative prescripts and acceptable international accounting principles.
2. The Supply Chain Management unit is responsible for all procurement of goods and services by the organisation. It ensures compliance with constitutional, public finance management and preferential procurement policy framework prescripts. The sub-programme ensures that the organisation maintains strict adherence to supply chain processes and procedures that eliminate unauthorised and fruitless expenditure, and the procurement of goods and services from historically disadvantaged individuals, particularly women, youth and people with disabilities.
3. The Revenue Collection and Enhancement unit is responsible for revenue collection and enhancement and ensures the achievement of the Revenue Enhancement Strategy.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

Given the growing fiscal pressures and the diminishing number of domestic content distributors contributing to the FPB's revenue, the organisation will prioritise financial sustainability over the next five years. The FPB will continue to explore new revenue streams and optimise its existing income sources to meet its operational needs.

Key initiatives include:

- Growing Self-Generated Revenue: Increasing the percentage of self-generated revenue.
- Online Distributor License Fees: Expanding licensing fees for online content distributors.
- Classification Fees and Registration Fees: Ensuring compliance from a broader base of distributors and enforcing penalties where necessary.
- Internet Service Provider (ISP) Registration: Registering ISPs as part of FPB's expanded regulatory framework.
- Billable Training: Providing training programmes at a fee to civil society, corporates and the rest government.

The FPB's focus on financial sustainability will allow the organisation to maintain its operations and regulatory capacity without relying on increased funding from the National Treasury.

TABLE 19:

Outcome	Output	Output indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for Deviation
Organizational sustainability	Maximize non-government revenue	Percentage (%) of implementation of the approved revenue enhancement strategy implementation plan	New indicator	60% of the approved revenue enhancement strategy plan implemented	70% of the approved revenue enhancement strategy plan implemented	70% of the approved revenue enhancement strategy plan implemented	Achieved	N/A
		Percentage (%) of self-generated revenue over total revenue	18% of self-generated revenue over total revenue	15% of self-generated revenue over total revenue	12% of self-generated revenue over total revenue	18% of self-generated revenue over total revenue	Achieved	Back billing for online distributors for previous years

Linking performance with budgets

TABLE 20:

Programme/activity/objective	2023/2024		2024/2025	
	Budget	(Over)/Under Expenditure	Budget	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000
Programme 3 - Finance	16,366	22,354	-5,988	28,469
Total	16,366	22,354	-5,988	-2,072

Programme 4: Technology and Platform Monitoring

Purpose: To oversee the execution of digital transformation initiatives and integrate emerging technologies, such as AI, into the FPB's regulatory framework. The programme aims to enhance operational capacity for proactive content regulation and improve protection of children from harmful content.

Sub-Programmes consist of the following five units:

1. The ICT Operations and Information Security unit has the responsibility to ensure that the FPB has the most up-to-date information communications technology infrastructure that enables the organisation to execute its business. It provides efficient and effective ICT infrastructure support and contributes to the organisational service delivery-maintained outcome. The unit will be implementing the approved AI strategy to enhance its digital transformation interventions.
2. The Platform Monitoring unit is responsible for the effective monitoring of compliance of online distributors to ensure compliance with the classification guidelines. The proactive monitoring of online platforms on harmful and prohibited content also falls under this unit.
3. The Child Protection unit is responsible for the analysis of referred CSAM by the SAPS and also represents the State as the expert witness during prosecutions. The unit also facilitates the training of law enforcement agencies and other stakeholders, including learners, on the use of children in the creation of child pornography.
4. The Classification and QA unit coordinates the classification and quality assurance of material received from distributors.
5. The Public Complaints unit is responsible for responding to customer complaints about harmful or prohibited content and all other queries received through FPB clients' support platforms.

Outcomes, Outputs, Output Indicators, Targets and Actual Achievement

A key measure of the FPB's effectiveness is its ability to respond to customer complaints about harmful or prohibited content. Over the next five years, the FPB will enhance its customer service through a proactive approach to child harm prevention and by expanding its service offering to address the evolving needs of parents, caregivers, and educators.

Key initiatives include:

- **Active Online Harm Prevention:** Providing recommendations on parental control solutions and collaborating with social media platforms to block harmful content from reaching children. This includes collaborating on content filtering mechanisms.
- **Post-Harm Support:** Expanding the complaints resolution service to offer post-harm support for children exposed to harmful content. This will involve working closely with social services, civil society, and law enforcement to provide timely interventions.
- **Digital Process Management:** Implementing digital workflow platforms to streamline the coordination of complaint resolutions across multiple stakeholders, including SAPS, social services, and civil society organisations.

The FPB's customer-centric approach ensures that complaints are handled promptly and effectively, with a focus on providing rapid responses to children at risk of online harm.

Child Protection

The aim of the Child Protection function is to strengthen the FPB's capacity for the monitoring of prohibited and harmful online harms, improve CSAM analysis and manage relations with law enforcement agencies. This positions the FPB as a leader in the protection of children against child CSAM.

The FPB's key priorities for the next five years reflect its commitment to transforming into a robust, forward-thinking regulator capable of addressing the challenges of the digital age. By focusing on organisational transformation, regulatory compliance, customer service, financial sustainability, collaboration, and child protection, the FPB will continue to safeguard South African citizens while adapting to the evolving technological and regulatory landscape. Collaborative efforts with stakeholders, supported by digital innovation and legal alignment, will position the FPB as a leader in global content regulation.

TABLE 21:

Outcome	Output	Output indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for Deviation
Organisational sustainability	Digital transformation	Percentage (%) of projects in the digital roadmap planned for the year implemented	Approved Digital Transformation Roadmap	86% of projects in the digital roadmap planned for the year implemented	95% of projects in the digital roadmap planned for the year implemented	100% of projects in the digital roadmap planned for the year implemented	Achieved	Five digital projects were prioritised and five were implemented.
		Percentage (%) implementation of the approved artificial intelligence strategy	New	New	20% Implementation of the approved artificial intelligence strategy	20% Implementation of the approved artificial intelligence strategy	Achieved	N/A
Enhanced public protection against harmful and prohibited content	Mandated content regulated	Percentage (%) of public complaints resolved within 60 working days	New indicator	98,8% of public complaints resolved within 60 working days	70% of public complaints resolved within 60 working days	83% of public complaints resolved within 60 working days	Achieved	Awareness created on the FPB mandate resulted in receiving more complaints which resolved within set timelines.
		Percentage (%) of quality assurance conducted on new self-classified content from commercial online distributors	New indicator	New indicator	7% of quality assurance conducted on new self-classified content from commercial online distributors	9,4 % of quality assurance conducted on new self-classified content from commercial online distributors	Achieved	The sample was increased to address the initial APP target before the revision to address internal Audit findings.

Outcome	Output	Output indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation from planned target to Actual Achievement 2024/2025	Reasons for Deviation
		Percentage (%) of classification decisions issued within 7 working days.	70,1% of Classification Decisions issued within 7 working days	81% of Classification Decisions were issued within 7 working days	80% of classification decision issued within 7 working days.	84% of Classification Decisions were issued within 7 working days	Achieved	More material was received and classified within set timelines
		Percentage (%) of child sexual abuse and exploitation material cases assessed	New indicator	New indicator	90% of child sexual abuse and exploitation material cases assessed	92% of child sexual abuse and exploitation material cases assessed	Achieved	Material received from SAPS received was assessed on time.

Linking performance with budgets

TABLE 22:

Programme/activity/objective	2023/2024				2024/2025			
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure		
Programme 4 – Platform support and Monitoring	R'000	R'000	R'000	R'000	R'000	R'000		
	25,485	19,652	5,832	27,716	32,812	-5,095		
Total	25,485	19,652	5,832	27,716	32,812	-5,095		

Programme 5: Regulatory Development and Enforcement

Purpose: To develop, implement, and enforce regulatory frameworks, ensuring compliance with content laws and protecting children from harmful content, while adapting to the evolving digital landscape.

Sub-Programmes consist of the following units:

1. The Regulatory Development and Research Analysis unit, responsible for development of regulatory frameworks and research.
2. The Compliance unit, responsible to monitor compliance of distributors with the Act.
3. The Enforcement unit which enforces compliance with the Act.
4. The Registration and Licensing unit, handling the registration and licensing of distributors.

The FPB's ability to regulate effectively depends on the robustness of its regulatory frameworks and the clarity of the instruments. To ensure that the Film and Publication Amendment Act (No. 11 of 2019) remained relevant and enforceable, the FPB prioritised legal harmonisation in collaboration with the Department of Communication and

Digital Technology (DCDT). This involved revising the Act to align with other South African laws and international legal standards related to child protection, online content, and human rights.

Key initiatives included:

- Engaging with civil society, industry, and government to revise Act by developing clear, enforceable regulations for online content distributors to close current regulatory gaps.
- Review of the Tariffs Regulations to align with the revenue model.
- Periodic reviews of classification guidelines by aligning them with societal norms and standards.
- Strengthening regulatory initiatives on the registration of distributors and self-classification of online commercial distributors.
- Improving the effectiveness of enforcement on non-compliant distributors.

This focus on regulatory capacity helped the FPB to implement stronger enforcement mechanisms, allowing it to issue penalties, take down harmful content, and provide a higher level of oversight in an increasingly digital content landscape.

TABLE 23:

Outcome	Output	Output Indicator	Audited Actual Performance 2022/2023	Audited Actual Performance 2023/2024	Planned Annual Target 2024/2025	Actual Achievement 2024/2025	Deviation form planned target to Actual Achievement 2024/2025	Reasons for Deviation
Enhanced public protection against harmful and prohibited content	Mandated content regulated	Number of prioritised research projects concluded to support the mandate	New indicator	Three prioritised research projects concluded to support the mandate	Three prioritised research projects concluded to support the mandate	Three prioritised research projects concluded to support the mandate	Achieved	N/A
		Percentage (%) of commercial online distributor applications for self-classification processed within 90 days	90% of commercial online distributor applications for self-classification processed within 90 days	100% of commercial online distributor applications for self-classification processed within 90 days	90% of commercial online distributor applications for self-classification processed within 90 days	100% of commercial online distributor applications for self-classification processed within 90 days	Achieved	Online commercial distributors which were due for renewal were finalised on time.
		Percentage (%) implementation of the annual compliance plan	New indicator	88% implementation of the annual compliance plan	70% implementation of the annual compliance plan	83% implementation of the annual compliance plan	Achieved	Online non-compliance necessitated additional compliance monitoring.
		Percentage (%) of application for registration processed within 5 working days	Rephrased indicator	99% of application for registration processed within 5 working days	95% of application for registration processed within 5 working days	100% of application for registration processed within 5 working days	Achieved	All applications which were due for renewal were renewed and finalised.
		Percentage (%) of enforcement action taken on identified/ reported non-compliant distributors	New indicator	New indicator	70% of enforcement action taken on identified/ reported non-compliant distributors	97%	Achieved	Collaborative compliance monitoring which led to high number of enforcement actions taken.

Linking performance with budgets

TABLE 24:

Programme/activity/ objective	2023/2024			2024/2025		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme 5 – Regulatory development	21,624	22,121	-496	20,864	18,842	2,022
Total	21,624	22,121	-496	20,864	18,842	2,022

REVENUE COLLECTION

TABLE 25:

Sources of revenue	2023/2024			2024/2025		
	Estimate	Actual amount collected	(Over-)/Under- collection	Estimate	Actual amount collected	(Over-)/Under- collection
	R'000	R'000	R'000	R'000	R'000	R'000
Classification fees	1,650	1,164	486	1,388	1,482	-94
Registration fees	174	545	-371	504	787	-283
Annual renewal fees	364	200	164	490	238	252
Internet service provider registration	111	31	80	31	40	-9
Interest received	2,864	2,957	-93	2,733	2,376	357
Online license fees	24,000	11,122	12,878	13,504	13,131	373
Grant	103,860	103,860	-	103,098	103,098	-
Other income	-	578	-578	-	786	-786
Total	133,023	120,457	12,566	121,748	121,938	-190



PART C:

Governance

INTRODUCTION

The Council is responsible for monitoring principles of corporate governance and completely aligns itself with the application of the recommendations of the King Report on Governance (King IV). The Council is committed to corporate processes and ensures that the Films and Publications Board's (FPB's) operations are conducted ethically, considering best practice.

To the best of the Council's knowledge, information and belief, the FPB complied with applicable legislation, policies and procedures as well as the codes of governance during the review period.

PORTFOLIO COMMITTEES

Parliament's Portfolio Committee on Communications and Digital Technologies exercises its oversight role through evaluating the performance of the public entity by interrogating its Annual Financial Statements and other relevant documents, which are tabled from time to time. It oversees the service delivery and performance of the entity; reviews its non-financial information as contained in its annual report; and is concerned with enhancing economic growth.

Parliament's Standing Committee on Public Accounts (SCOPA) reviews the entity's Annual Financial Statements and audit reports of the external auditor. SCOPA also provides commentary on the number of meetings held with the Portfolio Committee, and the key issues raised by the Portfolio Committee members.

Provide commentary on the following:

- The dates of the meeting
- Areas of risk and what implementation plans/actions did the public entity undertake

EXECUTIVE AUTHORITY

The prescripts of the Public Finance Management Act (No. 1 of 1999) (PFMA) govern the oversight powers and authority given to the Executive Authority. The Executive Authority has the power to appoint and dismiss the Board of a public entity; ensures that the appropriate mix of executive and non-executive directors is appointed; and that directors have the necessary skills to guide the entity.

The Council reports to the Executive Authority on a quarterly basis through the submission of quarterly performance reports that provide detail about the entity's activities. In addition, Council provides the Executive Authority with an Annual Report at the end of each financial year, covering all the activities and financial positions of the Board, Council, Appeal Tribunal and Enforcement Committee.

THE ACCOUNTING AUTHORITY/ COUNCIL

Composition and role of the Council

The FPB Council comprises 10 Council members, including the Chief Executive Office, all from diverse backgrounds, appointed by the Minister of Communication and Digital Technologies based on experience, technical skills, qualifications and knowledge. The Minister of Communication and Digital Technologies appointed the Council on 21 April 2022 in line with Sections 6 and 8 of the Films and Publications Act (No. 65 of 1996) as amended by Act No. 11 of 2019 (the Act).

The primary responsibility of the Council is to provide leadership and strategic direction to the FPB on policy, operational performance, financial matters, risk management and compliance. It is also responsible for general management and control, exercising leadership, integrity and judgement in directing the FPB based on transparency, accountability, and responsibility. The Council is the focal point of the corporate governance system of the FPB. Authority for day-to-day management of the entity's activities is delegated to the management team through a Council-approved Delegation of Authority Framework. The mandate, role, and responsibilities of the Council are stipulated in the Council Charter as set out in the Act.

Induction of new members

A comprehensive induction programme is conducted for newly appointed Council members, to ensure that they are informed about the FPB's structure, operations, policies and industry-related issues, and to enable them to fulfil their duties and responsibilities. The Council Secretary administers this programme.

Council Charter

The Council has adopted a formal charter that clearly articulates its duties and responsibilities, which is reviewed and approved biennially. The Council Charter is closely aligned with King IV. The Council confirms that, during the period under review, it satisfactorily discharged its duties and obligations as contained in the Charter.

Delegation of authority

The Council exercises oversight authority to lead, control and manage the business of the FPB. Through a Delegation of Authority Framework, the Council has delegated certain powers and functions to the Chief Executive Officer (CEO) and the Executive Committee (Exco) to manage the day-to-day business affairs of the FPB. The delegation of authority assists the CEO and Exco in decision-making and meeting strategic objectives without absolving the Council of its accountability and responsibilities to the FPB. There are, however, some non-delegated matters reserved for approval by the Council and/or the Minister of Communication and Digital Technologies in terms of the Act, the Council Charter and the delegation of authority document.

Council and committee meeting attendance

Council meetings are held at least once every quarter, with special meetings convened when necessary. During the period under review, four scheduled Council meetings, five special Council meetings, an annual general meeting (AGM) and several Council workshops were convened. Executive members attended Council meetings as invitees. Details of attendance are as follows:

TABLE 26: Council and committee meetings attendance

Council Members	30 Apr 24	30 May 24	25 Jun 24	04 Jul 24	08 Jul 24	19 Jul 24	24 Jul 24	29 Jul 24	30 Jul 24	05 Aug 24	06 Aug 24	07 Aug 24	26 Aug 24	25 Oct 24	30 Oct 24	20 Nov 25	12 Dec 24	16 Jan 25	30 Jan 25	12 Feb 25	06 Mar 25
	O	S	S	S	S	S	S	O	S	S	S	S	S	S	O	S	S	S	O	S	S
Ms Zama Mkosi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Prof Siyasanga Tyali	✓	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Adv Tokyo Nevondwe	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms Zanele Nkosi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms Lungelo Nxele	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms Maggie Pillay	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Andile Nontso	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
Ms Mpho Sedibe	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓	-	✓	✓	✓
Mr Phosa Mashangoane	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓

O = Ordinary Meeting

S = Special Meeting

✓ = Attended

- = Not attended

Finance, Audit and Risk Committee

The Finance, Audit and Risk Committee (FARC) is appointed by the FPB Council. The CEO and Chief Financial Officer (CFO) are permanent invitees to committee meetings, while the Auditor-General attends by invitation.

The FARC has adopted terms of reference based on the PFMA. FARC members have considered and are of the view that they are effectively independent of the Council and its management thereof.

Roles and responsibility

In line with the Terms of Reference that regulate the FARC, the Committee is responsible for the review of financial performance; external audit strategy and reports; the internal audit function; risk management; budgets; PFMA compliance; issues relating to fraud and corruption; the monitoring of CAPEX projects; the review of financial transactions that fall within the threshold requiring the Council's approval; reviewing and monitoring organisational cash-flow reports; and overseeing and monitoring risk and control environments of the Finance unit. The terms of reference are aligned with the requirements of the PFMA, the National Treasury regulations and the King IV Report.

Regulatory, Compliance and ICT Committee

The Regulatory, Compliance and ICT Committee, previously known as the OPITCOM, was appointed by the Council of the FPB and has four non-executive Council members. The CEO and CFO are permanent invitees to Committee meetings. The duties and functions of the Committee includes, among others, to provide oversight and advice to the Council on the strategic direction and activities of the Technology and Platform Monitoring unit; and the Regulatory Development and Enforcement unit, including but not limited to planning, implementation, performance-reporting and risk-monitoring of the following functions:

Industry regulation of:

1. Classification
2. Child Protection
3. Communications and Public Education
4. Compliance-Monitoring
5. Facilities Management
6. Legal and Regulatory Framework
7. Research, Policy and Advocacy

ICT governance:

1. Alignment of IT with the business direction
2. Achievement of strategic IT objectives
3. Availability of suitable IT resources, skills and infrastructure
4. Optimisation of IT costs and risk, return and competitive aspects of IT investments

During the period under review, the Regulatory, Compliance and ICT Committee met six times to review the FPB's functions in respect of operational, performance-reporting and ICT governance matters; and to make recommendations to the Council regarding their relevance to the Council's mandate. (See Table 28 below)

TABLE 27: Meetings of the Regulatory, Compliance and ICT Committee

	23 Apr 24 O	28 May 24 S	23 Jul 24 O	24 Oct 24 O	23 Jan 25 O	20 Feb 25 S
Ms Lungelo Nxele	✓	✓	✓	✓	✓	✓
Prof. Siyasanga Tyali	✓	-	✓	✓	✓	✓
Ms Maggie Pillay	✓	✓	✓	✓	✓	✓
Mr Phosa Mashangoane	✓	✓	✓	✓	✓	✓

O = Ordinary Meeting

S = Special Meeting

✓ = Attended

- = Not attended

Human Resource and Remuneration Committee

The Human Resource and Remuneration Committee (HR & REMCO) was appointed by the FPB Council and has four non-executive Council members. The Shared-Services Executive, CEO and CFO are permanent invitees to committee meetings. The duties and functions of the committee include, amongst others: overseeing and providing guidance to management on human capital, human resources, remuneration, recruitment and other related matters.

During the period under review, the HR & REMCO met eight times to review the strategic direction and activities of the Shared-Services Division, with a particular focus on human resources planning, administration and remuneration. (See Table 29).

TABLE 28: Meetings of the HR & REMOCO

HRREMCO	24 Apr 24 O	26 Jun 24 S	24 Jul 24 O	25 Oct 25 O	28 Nov 25 S	22 Jan 25 O	28 Jan 25 S	13 Mar 25 S
Adv. Lufuno Nevondwe	✓	✓	✓	✓	✓	✓	✓	✓
Mr Phosa Mashangoane	✓	✓	✓	✓	✓	✓	-	✓
Ms Mpho Sedibe	✓	✓	✓	✓	✓	✓	✓	✓
Dr Andile Nontso	✓	✓	✓	✓	✓	✓	✓	✓

O = Ordinary Meeting

S = Special Meeting

✓ = Attended

- = Not attended

Governance, Social and Ethics Committee

The Governance, Social and Ethics Committee is appointed by the FPB Council and has four non-executive Council members. The CEO is a permanent invitee to committee meetings.

The Committee advises the Council and Chairperson and is tasked with taking decisions on any matters within its mandate in terms of the Act, as well as other urgent matters that could have an impact on the operations of the FPB. These exclude policy matters.

During the year under review the Council approved the expansion of the mandate of the previous Chairperson's Committee, to allow the Committee to provide oversight on Social and Ethics Related matters. This led to the establishment of the Governance, Social and Ethics Committee.

During the period under review, the Committee met eight times to assist the Council in respect of all activities of the Council and its Committees.

TABLE 29: Meetings of the Governance, Social and Ethics Committee

Governance, Social and Ethics Committee	29 Apr 24 O	27 Jul 24 O	29 Oct 24 O	28 Jan 25 O
Ms Zama Mkosi	✓	✓	✓	✓
Prof. Siyasanga Tyali	✓	✓	✓	✓
Adv. Tokyo Nevondwe	✓	✓	✓	✓
Ms Zanele Nkosi	✓	✓	✓	✓
Ms Lungelo Nxele	✓	✓	✓	✓

O = Ordinary Meeting

S = Special Meeting

✓ = Attended

Joint meetings of the FARC and the HR & REMCO

Where there is an overlap on the mandate of the Committees, meetings of the joint Committees are normally held. During the year under review, the following joint meetings were held.

TABLE 30: Joint meetings of the FARC and the HR & REMCO

Joint Meeting of Finance/ Audit & Risk/HR & REMCO	13 May 24	27 May 24	27 May 24	30 May 24	02 Aug 24	17 Aug 24	11 Sept 24	19 Nov 24	10 Dec 24	12 Dec 24
	S	S	S	S	S	S	S	S	S	S
Adv. Lufuno Nevondwe	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms Zanele Nkosi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Prof. Siyasanga Tyali	-	-	✓	-	✓	✓	✓	✓	✓	✓
Ms Lungelo Dhladhla	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms Mpho Sedibe	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Andile Nontso	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr Phosa Mashangoane	✓	✓	-	✓	✓	✓	✓	✓	✓	-

O = Ordinary Meeting

S = Special Meeting

✓ = Attended

- = Not attended

Ad hoc meetings

The ad hoc meetings held during the year under review related to engagements with employees, labour, and the Department of Communications and Digital Technology, as well as strategy sessions and meetings with the legal service providers. Table 31 reflects the meetings held during the year under review.

TABLE 31: Ad hoc meetings held during 2024/25

Other Meetings	13 Aug 24	19 Aug 24	27 Aug 24	20 Sept 24	25 Oct 24	26 Oct 24	27 Oct 24	11 Oct 24	17 Oct 24	12 Nov 24	03 Dec 24	04 Dec 24	13 Dec 24	14 Jan 25	16 Jan 25	30 Jan 25	31 Jan 25
	Engage-ment with Staff	Meeting with Nehawu	Meeting with Nehawu	Meeting with CDH	Strat Session	AGM and Strat Session	Strat Session	Meeting with Nehawu	DC & FAR Chair meeting - whistle-blowing matter	DC, HRREMCO & FAR Chair meeting - whistle-blowing matter	DC, HRREMCO & FAR Chair meeting with DCDT to initiate investigations	Meeting with Chair, DC, HRREMCO Chair & EXCO	Meeting with CDH	Meeting with CDH	Meeting on investi-gations	Chair & DC meeting with ACEO	
Ms Zama Mkosi	✓	✓	✓	0	✓	✓	✓	✓	0	0	0	✓	✓	✓	✓	✓	0
Prof. Siyasanga Tyali	✓	✓	✓	0	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0
Adv. Tokyo Nevondwe	✓	✓	✓	✓	✓	✓	✓	0	0	✓	✓	✓	✓	✓	✓	0	✓
Ms Zanele Nkosi	✓	0	0	0	✓	✓	✓	0	✓	✓	0	✓	0	0	✓	0	0
Ms Lungelo Nxele	0	0	0	0	✓	✓	✓	0	0	0	0	✓	0	0	0	0	0
Ms Maggie Pillay	0	0	0	0	✓	0	✓	0	0	0	0	✓	0	0	0	0	0
Dr Andile Nontso	0	0	0	0	✓	✓	0	0	0	0	0	0	0	0	0	0	0
Ms Mpho Sedibe	✓	0	0	0	✓	✓	✓	0	0	0	0	✓	0	0	0	0	0
Mr Phosa Mashangoane	✓	0	0	0	✓	✓	✓	0	0	0	0	✓	0	0	0	0	0

All the Joint Committee meetings were special meetings, as they were arranged to consider specific matters.

* Meeting was a joint meeting of the Finance Committee and HR & REMCO before the merger of the ARC and the Fincom.

O = Ordinary Meeting

S = Special Meeting

✓ = Attended

- = Not attended

Appeals Tribunal Composition

The members of the FPB Appeal Tribunal were appointed in October 2022 for a period of five years, and will be terminated in 2027. The appointed members were:

1. Siyazi Tyatyam (Chairperson)
2. Sohani Natasha Chundhur
3. Litheko Modisane
4. James Hlamalani-Shikwambana
5. Phuthi Phukubje
6. Nomaswazi Shabangu-Mndawe
7. Shandukani Mulaudzi
8. Sisanda Nkoala

Remuneration of Council members

Council remuneration is determined by the Minister of Communication and Digital Technologies in consultation with the Minister of Finance. Council members were remunerated a sitting fee for meeting attendance and preparation. Members were also reimbursed for any travel expenses incurred. The Council remuneration is disclosed in the Annual Financial Statements and is summarised in:

TABLE 32: Remuneration of Council members

Councilor / Board Member	2024/2025 (R)	2023/2024 (R)
Nevondwe LT	307,571	284,280
Mkosi Z (Chairperson)	225,060	377,798
Tyali SM (Deputy Chairperson)	312,984	309,622
Nxele L	273,608	261,272
Sedibe M	155,295	203,726
Pillay M	108,141	198,860
Nkosi GZ	224,987	175,306
Mashangoane PJ	240,851	271,085
Nontso A	162,733	246,242
Total	2,011,230	2,328,191

RISK MANAGEMENT

Risk-Management Approach: The FPB uses the Top-Down risk management approach and assesses, manages and reports all significant risks and related mitigation plans consistently throughout the organisation in line with defined risk-management practices and reporting protocols. The approach fosters the management of risks from the Top (Executive and Management managing strategic risks) to the Bottom (Managers and Assistant Managers managing operational risks) within respective programmes.

ENTERPRISE RISK-MANAGEMENT POLICY & STRATEGY

The FPB operates in terms of the Enterprise Risk-Management Framework (Policy, Strategy, and Implementation Plan) derived from the National Treasury's Risk-Management Framework. This framework is further aligned to the FPB's Strategic and Annual Performance

Plans to ensure that it is relevant for managing the organisation's risk exposure. The FPB has established risk appetites and a tolerance threshold, which are used to measure the level of acceptable risks throughout the organisation. This framework is applied to ensure effective implementation of enterprise risk-management systems and processes. The approved Risk Appetite and Tolerance-levels assist with the determination of the points at which risks are considered significant and require mitigations to be implemented to manage the risk exposures to acceptable levels.

RISK AWARE CULTURE

Meetings to consider quarterly mitigating action plans for were held with all Programmes throughout the period under the review.

- Out of Eleven (11) risks Nine (9) risks were not addressed as they were outside the risk appetite levels.
- Only 56% of risk mitigation action plans implemented

- 43% of the risks mitigations actions that were within the Entities control were not yet implemented due to the following but not limited to:
 - Dependent on the finalisation of Organizational Design and Structure;
 - Implementation of the Ethics Assessment Outcomes;
 - Council investigations State Security Agency (SSA) and the Ethics Function (Financial Disclosure Process);and
 - Finalisation of the Tariff model to guide the guide the tariff regulations.
- 1% of the risks mitigations actions that was outside Entities control was not yet implemented.

There are various processes to ensure awareness and commitment of the entire Organisation, such as:

- a) Risk-awareness workshops;
- b) Induction of new employees; and
- c) Uploading of risk management enabling documents in the FPB's intranet (Sharepoint) for ease of access by all employees.

RISK ASSESSMENT

The Top-Down risk-management approach adopted by the FPB requires strategic risk assessments to be completed first, and thereafter operational risk assessments completed. The risk assessments are further considered on the basis of the FPB's risk appetite and tolerance-levels. The 2024/25 strategic risk assessments were completed on time with relevant reports presented to the Management Committee (MANCO), Executive (EXCO), Finance, Audit and Risk Committee (FARC) for consideration and approval, and the Council for sign-off.

MANAGEMENT OF RISK

Management of strategic risks and the implementation of the respective risk-mitigation plans were monitored on a quarterly basis. Monitoring reports were compiled and presented on a quarterly basis to the Management Committee (MANCO), Executive Committee (EXCO), Finance, Audit and Risk Committee (FARC) and Council.

STRATEGIC-RISK MANAGEMENT

Of Ten (11) strategic risks identified during the 2024/25 financial year, three (3) moved from the register to operational risk register and one (1) retired overtaken by events. Two (2) has been managed within acceptable risk-level (appetite) while 9 remained outside acceptable risk-levels however the 6 risks are medium and three (3) high risk which one (1) outside the FPB's control.

Strategic risks that remained outside the acceptable risk-levels were due to the following key challenges/ root causes:

- a) Staff resistance to change;
- b) Unfavourable economic conditions;
- c) Increasing expenditure due to expanded mandate;
- d) Ageing ICT infrastructure;
- e) Manual classification process (Lack of fully automated system to do classification);
- f) Ineffective implementation of the Amendment legislative mandate;
- g) Draft White paper on Audio and Audio-Visual media Services;
- h) Inadequate advocacy of the FP Act;
- i) Inadequate internal/external awareness of the FPB as an organization;
- j) Resistance or challenge on the Legislation by industry stakeholders; and
- k) Transition from online distributor agreement to a new registration regime.

Operational Risks Management

Of thirty-five (35) operational risks, twenty-one (21) have been managed to acceptable risk levels while fourteen (14) remained outside acceptable risk levels. These risks covered several key operational which were monitored and reported to the MANCO, EXCO and FARC. Operational risks that remained outside the acceptable levels were due to the following key challenges /weaknesses:

- a) Inadequate consultation platforms;
- b) Inadequate capacity (financial and human resources);
- c) Delays in review of the internal Policies and Standard Operating Procedures (SOPs);
- d) Inability to produce high quality training materials in time based on stakeholder needs; and
- e) Tariff model not aligned to the new mandate.

Value Add

Enterprise Risk-Management systems and processes have assisted the FPB in the achievement of strategic focus by ensuring that the following are considered during the 2024/25 strategic planning processes:

Risk management being part of the strategic planning process – this assisted with ensuring that resources are prioritised and allocated to the relevant key strategic focus and that realistic targets are set. This was also the case when the FPB revised the APP targets and milestones.

Current and emerging strategic risks – these risks assist the process by ensuring that the annual performance plan includes mitigations/ interventions to address these identified strategic risks. Key root causes for the identified strategic risks – these key root causes or challenges have also been considered and analysed to ensure that proper mitigations are planned to address the identified strategic risks to acceptable appetite and tolerance-levels, e.g. availability of resources (financial, human and other relevant resources), inadequate technologies, etc.

COMPLIANCE WITH LAWS AND REGULATIONS

Compliance Management Policy and Framework

The FPB operates in terms of the approved Compliance Management Framework and the Policy which are derived from the relevant legislation and best practices. The framework is further aligned to relevant FPB policies to ensure alignment and relevance for managing the FPB's compliance exposures. Implementation of the framework is achieved through the following initiatives:

- a) Implementation of the Approved FPB Compliance Universe/Matrix
- b) Monitoring and reporting on the implementation of the FPB Compliance Universe/Matrix to MANCO, EXCO, FARC and the Council on a quarterly basis.
- c) Monitoring and reporting of FPB Policy Register to MANCO, EXCO, FARC and the Council on a quarterly basis.
- d) Incorporating and ensuring compliance risks are identified at different levels of the risk-management process, i.e. during strategic and operational risk identification and assessment processes; this will ensure that compliance risk becomes part of the enterprise risk-management value chain.

INTERNAL CONTROL UNIT

Effectiveness of internal controls

The systems of internal control are designed to provide cost effective assurance in achieving the organisational objectives through ensuring that assets are safeguarded, operations are effective and efficient, financial and performance information is reliable and there is compliance with the laws and regulations.

In line with the relevant regulations, the Committee provided oversight on the operations and business activities within the entity. This was achieved through the quarterly reporting processes by management, internal audit reviews as prioritised in the risk-based annual audit operational plan approved by the Committee, and reports from the Auditor General of South Africa (AGSA). The Committee is of the opinion that although the systems of internal control within the Films and Publications Board (FPB) were mostly adequate and effective during the year under review, there is still room for improvement.

The Committee noted inadequate structured process for the timely review of policies, and internal controls were not sufficiently robust to prevent irregular, fruitless, and wasteful expenditure. In addition, the Committee observed weaknesses in the application of procurement processes, particularly the management of deviations from normal supply chain procedures.

The Committee has recommended that action plans be developed and implemented to enable an effective internal control environment.

INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit strengthens the Film and Publication Board's (FPB's) ability to create, protect, and sustain value by providing the Finance, Audit and Risk Committee (FARC) and management with independent, risk-based, and objective assurance, advice, insight, and foresight. This mandate is carried out through a systematic and disciplined approach by evaluating the adequacy and effectiveness of FPB's governance, risk management, and internal control processes.

To support the Accounting Officer and the FARC in fulfilling their oversight responsibilities, the Internal Audit completed 19 audits during the year under review. These audits covered key areas which included performance management and performance information; financial management; supply chain management, ICT governance; operations; and compliance. All audits were executed in accordance with the approved Internal Audit Coverage Plan, as endorsed by the FARC.

Audit activities included:

- Auditing the control environment and issuing internal audit reports that identified key weaknesses and recommended improvements across various FPB processes;
- Conducting follow-up audits to assess the implementation status of recommendations made by the Auditor-General South Africa (AGSA) and Internal Audit;
- Providing ad hoc advisory and consulting services to management;
- Delivering an overall opinion on the effectiveness of the FPB's internal control environment; and
- Coordinating combined assurance activities across the organisation.

COMPLIANCE WITH LAWS AND REGULATIONS

The entity monitors compliance with the laws and regulations on a quarterly basis. The entity has a compliance universe and regular reports are provided to Council on the status of compliance with laws and regulations relevant to the entity's operating environment.

FRAUD AND CORRUPTION

Fraud Prevention Plan and Implementation

The Film and Publication Board has developed a Fraud-Prevention Plan (Strategy, Policy, Investigation Procedure, Implementation Plan and Whistle-Blowing Policy) derived from the National Anti-Corruption Framework (NACF) and other relevant prescripts. This Framework is further aligned to relevant Organisational Policies and Procedures to ensure alignment and relevance for managing FPB's fraud and corruption exposures.

Implementation of the Framework is achieved through the following initiatives:

- a) Annual Fraud risks assessment which the mitigation actions are monitored quarterly and reported to MANCO, EXCO, FARC and Council.
- b) Awareness on prevention of fraud and corruption including, among other things, induction of new employees.
- c) Monitoring and reporting on the implementation of the Fraud Prevention Plan to the MANCO, EXCO, Finance, Audit and Risk Committee and Council on a quarterly basis.
- d) The Finance, Audit and Risk providing oversight over the effectiveness of fraud prevention systems and processes.
- e) Progress on investigations conducted and/or sanctions taken are reported to FARC as and when they happen for independent professional advice.

MINIMISING CONFLICT OF INTEREST

Conflict of interest was managed through mandatory annual declarations of interest. All Council members were required to declare any conflict of interest on an ongoing basis. The Council Charter details the importance of declaring any conflict of interest and contains provisions for dealing with such conflicts. In addition, all agendas of the governance structures had a standing agenda item that required meeting participants to declare their interest.

CODE OF CONDUCT

The Council has adopted a Code of Conduct and Ethics Policy that sets the guiding principles and minimum standards of behaviour for Council members, collectively and individually. The Code of Conduct guides Council members in matters such as acting accountably, ethically

and with integrity while performing their duties. The Code of Conduct outlines principles and standards of behaviour expected of Council members, which align with applicable laws, best practice and generally accepted standards.

HEALTH SAFETY AND ENVIRONMENTAL ISSUES

Provide a brief description and nature of Health Safety and Environmental issues and the effect it has on the public entity.

COUNCIL SECRETARY

The Council Secretary plays a pivotal role in advising the Council on its roles, responsibilities and duties as defined in the Council Charter, read together with the Companies Act (No. 71 of 2008) as amended by Act No. 16 of 2024, and the King IV Report. The Council Secretary is responsible to the Council through the office of the CEO to ensure, amongst others, compliance with procedures and applicable statutes and regulations. All directors have unlimited access to the advice and services of the Council Secretary, and all directors are entitled to seek independent professional advice at the FPB's expense concerning the affairs of the entity, after obtaining the approval of the Chairperson.

The Council Secretary maintains an arm's length relationship with the Council and its members, and is empowered with the necessary authority and support to carry out duties which include maintaining all statutory records; reviewing all Council and Committee charters; assisting the Chairperson with the annual Council evaluation; advising the Council on business ethics and good governance; ensuring that the Council's policies and instructions are communicated to the appropriate persons in the FPB; ensuring that the Council receives adequate information to make informed decisions; and ensuring the Council's induction, training and development.

The Council has considered the skills, qualifications and performance of the Council Secretary. The Council is satisfied with the suitability of the current service provider for the position.

SOCIAL RESPONSIBILITY

The Council has established a Governance, Social and Ethics Committee which makes recommendations to Council on the entity's social responsibility initiatives.

FINANCE, AUDIT AND RISK COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2025.

Audit Committee Responsibility

The Finance, Audit and Risk Committee (FARC), as established in accordance with Section 51(1) (a)(ii) and Section 77 of the Public Finance Management Act (No. 1 of 1999) (PFMA), as well as Treasury Regulation 27.1, serves as a vital governance structure within the entity.

Members and attendance

The Committee consisted of the members as listed in the table below. Throughout the reporting period, the committee convened a total of 21 meetings, including 17 special meetings.

TABLE 33: Meeting attendance of the Finance Committee, Audit and Risk Committee and newly formed Finance, Audit and Risk Committee in 2024/25

Finance, Audit and Risk Committee	28 Oct 24 O	24 Jan 25 O	27 Jan 25 S
Ms Zanele Nkosi	✓	✓	✓
Adv. Tokyo Nevondwe	✓	✓	✓
Prof. Siyasanga Tyali	✓	✓	-
Ms Lungelo Nxele	✓	✓	✓
Dr Andile Nontso	✓	✓	✓
Ms Mpho Sedibe	✓	✓	✓

Audit and Risk Committee	26 Apr 24	26 Jul 24
Ms Zanele Nkosi	✓	✓
Adv. Tokyo Nevondwe	✓	✓
Prof. Siyasanga Tyali	✓	✓
Ms Mpho Sedibe	✓	✓

Finance Committee	24 Apr 24 O	25 Jul 24 O
Ms Zanele Nkosi	✓	✓
Ms Lungelo Nxele	✓	✓
Ms Mpho Sedibe	✓	✓
Dr Andile Nontso	✓	✓

O = Ordinary Meeting

S = Special Meeting

✓ = Attended

- = Not attended

Charter

The Committee has thoroughly reviewed and formally adopted a charter for the current year. This charter, duly approved by the Council, regulates the affairs and activities of the Committee and further ensures alignment with the relevant statutory requirements outlined in the regulations mentioned above.

Internal audit

The Committee reviewed and approved the internal audit charter, internal audit manual and methodology that has been aligned to the new global internal audit standards. The risk-based three-year rolling plan, and the operational plan for 2024/25 were also considered and approved by the Committee. In addition, internal audit reports on the adequacy and effectiveness of the entity's internal control environment, systems, and processes as measured against the approved operational plan of the function, were reviewed and monitored on a quarterly basis.

While capacity constraints within the Internal Audit function remained a major challenge during this year, the Committee was satisfied with the work completed, the coordination with other assurance providers, and the follow-up on management's corrective action plans. Overall, the work performed by the Internal Audit function enabled the Committee to effectively fulfil its oversight responsibilities during the year. The Committee has recommended that management put mitigations in place to address the identified capacity constraints to strengthen the Internal Audit function.

Risk management

During the year under review, the Committee exercised oversight over the entity's risk management. Subsequent to management performing both the strategic and operational risk assessments, the resulting risk registers were reviewed and discussed by the Committee. The Committee also considered quarterly reports on risk management processes and provided recommendations where necessary.

The following risk governance documents, amongst others, were reviewed and considered by the Committee:

- Strategic and Operational Risk Registers
- Fraud Risk Register
- Risk Implementation Plan
- Fraud Implementation Plan
- Compliance Universe

Although there has been significant improvement in risk management, the Committee continued to emphasise the need to enhance the entity's risk management processes to ensure the effective identification and adequate mitigation of potential risks.

In-year management reporting

The Committee received and consistently reviewed the quarterly financial and performance information reports prepared by management. It also ensured that the monthly and quarterly reporting processes were aligned with the requirements of the PFMA and all other relevant legislation.

Evaluation of annual financial statements and performance information

The Committee has:

- Reviewed and discussed the annual financial statements and performance report to be included in the annual report;
- Reviewed the AGSA's management reports and the management responses thereto;
- Reviewed significant adjustments resulting from the audit;
- Reviewed any changes in accounting policies and practices; and
- Reviewed entity compliance with applicable regulatory provisions.

Auditor-General's report

The Committee reviewed the entity's implementation of audit findings raised in the prior year and noted that these matters were only partially addressed, with implementation progressing slowly. The Committee recommended that management put effective processes in place to ensure the timely and comprehensive resolution of these audit findings.

The Committee reviewed the audit strategy and was satisfied with the independence and objectivity of the AGSA.

The Committee concurs and accepts the conclusions of the AGSA on the annual financial statements, performance information, and compliance review, and is of the opinion that the audited annual financial statements should be accepted and read together with the audit report of the AGSA.

Conclusion

The Committee has noted an opinion of an unqualified audit opinion with material findings.

The Committee encourage management to enhance these efforts to achieve even greater results in the next financial year and audit cycle and is of the opinion that the entity can revert to a clean audit if there is a commitment to establish a stable leadership that will ensure a robust control environment, effective governance, sufficient management review, and supervisory checks.

I would like to thank the Committee members, Executive Authority, Council, Executive Management, senior management and staff of the FPB for their continued support during the year.



Zanele Nkosi

Chairperson: Finance, Audit and Risk Committee

B-BBEE Compliance Performance Information

The following table was completed in accordance with the compliance to the Broad-Based Black Economic Empowerment (B-BBEE) requirements of the B-BBEE Act (No. 53 of 2003) and as determined by the Department of Trade, Industry and Competition.

TABLE 34: Complying to B-BBEE requirements

Criteria	Response Yes/No	Discussion
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	Not applicable
Developing and implementing a preferential procurement policy?	Yes	Compliance through supply chain process
Determining qualification criteria for the sale of state-owned enterprises?	No	Not applicable
Developing criteria for entering into partnerships with the private sector?	No	Not applicable
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment?	No	Not applicable



PART D:

Human Resources Management

INTRODUCTION

The FPB functioned on the approved structure for the duration of the 2024/25 financial year, while a process of reviewing the organisation's structure to align with the organisation's strategic plan was in progress. During 2024/25, the organisation maintained stability in its workforce structure. The number of approved posts remained constant at 101, indicating no change from the previous year. The organisational structure which was approved by the Executive Authority in 2022 was not fully implemented due to budget constraints. The FPB is finalising its organisational development project to optimise available resources to reach its strategic deliverables in line its mandate.

As of 31 March 2024, the total number of funded posts on the establishment was 101. Of these positions, 92 positions were filled, and 9 positions were vacant and funded, which equates to an 8,9% vacancy rate. The reduction in vacancies, while maintaining the same number of approved posts, indicates the organisation's success in filling critical positions. Only 13 critical vacancies were filled permanently, of which five were filled internally, in line with the organisation's drive to prioritise its internal employees for career growth. By the end of March 2025, the entity had quality assurers and 20 classifiers, bringing the total head count to 117, funded from the allocated compensation budget of R80 633.00.

Total staff costs increased marginally by 1.0%, rising from R80.09 million in 2023/24 to R80.92 million in 2024/25. This modest growth reflects a balance between upward pressure from basic salary adjustments and downward adjustments in certain provisions. Although the workforce headcount remained constant at 101 (no growth in approved positions), the average cost per employee increased in line with the 6% cost-of-living increment, while savings in classifiers, medical aid, and leave provisions offset some of the salary-driven growth. Overall, the cost base remained stable, with a controlled 1% year-on-year increase, reflecting cost-conscious management of employee-related expenses.

To deliver on the expanded mandate, the organisation had to implement a focused reskilling plan to ensure that the workforce contributes to the implementation of the Department's Annual Performance Plan. A total of 139 employees participated in the reskilling programme, while received formal training aligned to the FPB mandate though the organisation's part-time bursary programme.

Notably, training costs nearly doubled, increasing by 31% from R1,430 million in 2023/24 to R1,875 million in 2024/25. This aligned with cost-cutting measures, which also affected training. The number of employees receiving training, rose from 84 to 101 in 2024/25. The FPB remains committed to enhancing its workforce capabilities to meet evolving regulatory challenges. Alternative options will be explored in the new financial year to use Media, Information and Communication Technologies Sector Education and Training Authority (MICSETA) provision to reskill employees on identified skills gaps.

Businesses generally consider a staff turnover of more than 10% to be high. The FPB turnover rate has been above this threshold, at 17% in 2023/24 and 12% during 2024/25. Resignations continued to be the most common reason for employees leaving the organisation, with employees often citing better career opportunities elsewhere. The organisation has developed the talent management strategy, which is aimed at addressing the reasons recorded for high turnover. The implementation plan for the strategy will be the main focus area for the new financial year.

Employee Performance Management

The Department of Communications and Digital Technologies implemented its Performance Management Development System (PMDS) policy in the year under review. This included the signing of performance agreements, concluding of mid-term review documents and annual appraisals.

The entity effectively implemented a quality assurance process across its PMDS to ensure alignment of its performance agreement and performance appraisal process. Annual assessments for 2023/24 for SMS and non-SMS members were finalised and approved by the Council for implementation. Subsequently, employees were rewarded with pay progression according to their level of achievement of targets.

Policy Development

The Human Capital unit reviewed seven of its policies for the year under review. The review process included consultation with employees and organised labour before approval of these policies by the Council.

Guided by approved organisational policies, the Human Capital Business Partners continued to attend unit meetings to provide human relations-related solutions to reported challenges.

Employee Wellness Programmes

The organisation continued to render wellness support through an Employee Assistance Programme (EAP) to employees and their immediate family members. Employees and their immediate family members, were encouraged to utilise the psycho-social interventions whenever required, which were rendered by an appointed service provider

Health-related information received from the service provider was shared with management and periodically circulated through the organisation's internal communication mechanism.

Employee Relations

Three informal disciplinary actions were finalised, resulting in two final written warnings and one written warning. Grievances were dealt with according to the time frames required by the applicable policy. Ongoing labour relations training was provided to managers and supervisors.

ACHIEVEMENTS AND CHALLENGES

Achievements

The Human Capital Improvement strategy, which aligns the organisation's human capital solutions was implemented at a rate of 87%. This included the following:

- Reviewed human capital policies were implemented in the 2024/25 financial year, and the following policies were approved and implemented in the 2022/23 financial year: Acting; Leave; Performance Management; Job evaluation; Disciplinary and Grievance Management; Recruitment, Selection and Appointment.
- Reporting to the Department of Labour took place in January 2023, in terms of Section 21 of the Employment Equity Act (No. 55 of 1998). In this report, the Department reported on matters such as the workforce profile, recruitment, promotions, service terminations and skills development for the period 1 January 2022 to 31 December 2022.

- Training aligned to the reskilling plans and Personal Development Plans (PDPs) of employees was implemented, and contributed to upskilling and re-skilling in the organisation in line with its mandate and functions.
- The organisation implemented its PMDS policy in the year under review. This included the signing of performance agreements, the conclusion of mid-term review documents and annual appraisals. The Human Capital unit effectively implemented a quality assurance process across its performance management and development system to ensure alignment of its performance agreement and performance appraisal process. Annual assessments for 2023/24 were finalised and approved by the Council for implementation. Subsequently, employees were rewarded according to their level of achievement of targets.
- Employee health and wellness interventions were provided, such as counselling services, and support to promote employee well-being.
- A 9% vacancy rate in was maintained during 2024/25, which contributed to ensuring the organisation's service delivery standards.
- A comprehensive employee engagement survey was conducted to gauge staff satisfaction and involvement.

Challenges

- The review of the organisational structure, in line with the mandate of the organisation, had an impact on the filling of critical vacancies which were not funded, pending the finalisation of organisational development processes.
- Interventions to improve the climate and culture in the organisation were implemented.
- Relevant retention measures to reduce the high turnover rate of the critical workforce were implemented.
- Budget constraints were experienced, which hampered the implementation of skills development programmes with the focus on priority skills aligned to the mandate, strategy, APP targets well as encouraging employees to proceed with the implementation of their individual personal development plans.



HUMAN RESOURCE OVERSIGHT STATISTICS

Personnel Related Expenditure

TABLE 35: Personnel Cost by Programme/Activity/Objective

Programme/activity/objective	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	No. of employees	Average personnel cost per employee (R'000)
	130,385	80,633	62%	92	876

TABLE 36: Personnel Cost by Salary Band

Level	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost (R'000)	No. of employees	Average personnel cost per employee (R'000)
Top Management	2,426	3.10%	1	2,426
Senior Management	7,719	9.88%	4	1,930
Professional qualified	21,825	27.94%	19	1,148
Skilled	44,998	55.23%	53	814
Semi-skilled	2,993	3.83%	9	221
Unskilled	672	0.86%	3	224
Total	80,633	100%	89	877

** R80,922,999 – Classification 2,816,410 = 78,106,589

TABLE 37: Performance Rewards

Programme/activity/objective	Performance rewards	Personnel Expenditure	% of performance rewards to total personnel cost
Top Management	1	20,413	0.02
Senior Management	4	81,652	0.10
Professional qualified	11	224,541	0.27
Skilled	49	1,000,228	1.20
Semi-skilled	6	122,477	0.15
Unskilled	3	61,238	0.07
Total	74	1,510,549	1.28

TABLE 38: Training Costs

Programme/activity/ objective	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Avg training cost per employee
Leadership Coaching	18,862	22,899	2.52%	1	22,899
Audit Round Table (Pty) Ltd	16,377	10,349	1.14%	2	5,174
Project Management and Techniques	63,141	38,795	4.27%	5	7,759
Public Finance Management Training	11,068	19,136	2.11%	2	9,568
Bid Committee Training	191,962	144,900	15.96%	55	2,635
Management Development	51,371	14,500	1.59%	2	7,250
Programme 5 – Coaching	0	20,183	2.22%	5	4,037
MANCO – Coaching	0	20,182	2.22%	14	4,037
Executive Coaching	78,036	20,182	2.22%	5	4,037
Government Procurement and SCM Managing	40,382	52,500	5.78%	5	10,500
Online Digital Claims Submission Training	1,996	0	0%	1	0
Employment Equity training	63,482	52,890	5.83%	16	3,306
Skills Development Training	52,103	52,890	5.83%	16	3,306
Caseware IDEA	8,189	0	0%	2	0
Regulatory Compliance Essentials	8,101	9,520	1.04%	1	9,520
Contributing portal	0	0	0%	1	0
Professional Development for PA's	32,107	39,596	4.36%	5	7,920
Nexus Lexis Online Signature Training	177,019	0	0%	63	0
Data Analysis	19,514	15,900	1.75%	1	15,900
Senior Management Programme	31,517	60,000	6.61%	1	60,000
Sharepoint Training	2,678	0	0%	3	0
Finance Indaba Conference and EXPO	10,118	0	0%	3	3,373
MA Public Entity Compliance Workshop on EE Act, BBBEE and Public Procurement	8,266	0	0%	4	0
AI Expo	19,223	19,224	2.12%	2	9,612
UCT Training and Development Management online short course	51,371	14,500	1.60%	2	7,250
Sage 300 – Payroll Processing	0	30,866	0%	4	7,717

Programme/activity/objective	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Avg training cost per employee
Sage 300 – Payroll Reconciliation	0	15,456.00	0%	4	3,864
Sage 300 – Functionality Management	0	30,866	0%	4	7,717
Alexander Forbes – Claims Processing	0	0	0%	1	0
MICT – SDF Training	0	0	0%	1	0
NSG Systems and Processes Training	0	0	0%	1	0
Total	960,631	675,366	70.30%		

TABLE 39: Educational assistance

Programme/activity/objective	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Avg training cost per employee
Bachelors in Human Resource Management		23,450		1	
Bachelors in Applied Social Sciences		130,000		1	
Bachelors of Arts in Government Administration and Development		16,120		1	
Bachelors in Forensic Investigation + prescribed books		9,121		1	
Master's in Business Leadership		68,307		1	
Bachelor in Economics + prescribed books		19,405		1	
Bachelors in Public Administration		7,546		1	
Total Educational Assistance		273,949		7	
End Total		960,631			

Training vs Budget Expenditure = R960,631 / R78,949,281 = 1.2 % of total payroll.

TABLE 40: Employment and Vacancies

Programme/activity/ objective	2023/2024 No. of Employees***	2023/2024 Approved Posts**	2024/2025 No. of Employees	2024/2025 Vacancies	% of vacancies
Programme 1	15	10	9	0*	0
Programme 2	25	20	18	1*	1
Programme 3	13	13	12	1	1
Programme 4	37	46	40	6*	6
Programme 5	11	12	9	1	1
Programme Total	101	101	89	9	9

*Three positions were outsourced: Council Secretary, Lead Developer, Payroll Specialist

** Re-aligned to Structure as approved August 2022

*** As reported in previous Annual Report

TABLE 41:

Programme/activity/ objective	2023/2024 No. of Employees	2024/2025 Approved Posts	2024/2025 No. of Employees	2024/2025 Vacancies	% of vacancies
Top Management	1	1	1	0	0
Senior Management	3	4	4	0	0
Professional qualified	16	19	16	1*	1
Skilled	62	65	56	8*	8
Semi-skilled	11	9	9	0	0
Unskilled	8	3	3	0	0
Total	101	101	89	9	9

*Three positions were outsourced: Council Secretary, Lead Developer and Payroll Specialist

TABLE 42: Employment Changes

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	1	0	0	1
Senior Management	3	0	0	4
Professional qualified	16	2	2	16
Skilled	62	2	6	56
Semi-skilled	11	1	4	9
Unskilled	8	0	0	3
Total	101	5	12	89

*Three outsourced positions: Council Secretary, Lead Developer, Payroll Specialist

TABLE 43: Reasons for Staff Leaving

Reason	Number	% of total no. of staff leaving
Death	1	8
Resignation	6	50
Dismissal	0	0
Retirement	0	0
Ill health	0	0
Expiry of contract	5	42
Other	0	0
Total	12	100

TABLE 44: Misconduct and Disciplinary Action

Nature of disciplinary Action	Number
Verbal Warning	1
Written Warning	1
Final Written Warning	2
	0

TABLE 45: Equity Target and Employment Equity Status - male

Levels	Male							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	1	0	0	0	0	0	0
Senior Management	1	1	0	0	0	0	0	0
Professional qualified	11	11	0	1	1	0	0	1
Skilled	15	27	1	3	3	1	1	3
Semi-skilled	1	4	0	1	0	0	0	1
Unskilled	0	3	0	0	0	0	0	0
Total	29	47	1	5	4	1	1	5

TABLE 46: Equity Target and Employment Equity Status - female

Levels	Female							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	3	3	0	0	0	0	0	0
Professional qualified	4	9	0	1	0	0	0	1
Skilled	32	26	1	3	1	1	2	2
Semi-skilled	8	4	0	1	0	0	0	0
Unskilled	3	2	0	0	0	0	0	0
Total	50	44	1	5	1	1	2	3

TABLE 47: Equity Target and Employment Equity Status - disabled staff

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	0	0	0	0
Skilled	0	0	2	2
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
Total	0	0	2	2



PART E:

PFMA Compliance Report

IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

1.1 Irregular expenditure

a) Reconciliation of irregular expenditure

Description	2024/2025	2023/2024
	R	R
Opening balance	2,800,207	2,799,912
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	4,000,057	295
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable ¹	-	-
Less: Irregular expenditure not recoverable and written off	-	-
Closing balance	6,800,264	2,800,207

Reconciling notes

Description	2024/2025	2023/2024
	R	R
Irregular expenditure that was under assessment	-	-
Irregular expenditure that relates to the prior year 2022/23 and identified in the current year 2023/2024	-	-
Irregular expenditure for the current year		295
Total		295

b) Details of irregular expenditure (under assessment, determination and investigation)

Description ²	2024/2025	2023/2024
	R	R
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	4,000,057	295
Irregular expenditure under investigation	-	-
Total	4,000,057	295

1 Transfer to receivables

2 Group similar items

c) Details of irregular expenditure condoned

Description	2024/2025	2023/2024
	R	R
Irregular expenditure condoned	-	-
Total	-	-

No irregular expenditure condoned during the year.

d) Details of irregular expenditure removed (not condoned)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
Total	-	-

No irregular expenditure removed from the register.

Details of irregular expenditure (under assessment, determination, and investigation)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	3,973,250	-
Irregular expenditure under investigation	-	-
Total	3,973,250	-

e) Details of irregular expenditure recoverable

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure recoverable	-	-
Total	-	-

No irregular expenditure recoverable

f) Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2024/2025	2023/2024
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

The FPB did not write off irregular expenditure during the year.

ADDITIONAL DISCLOSURE RELATING TO INTER-INSTITUTIONAL ARRANGEMENTS

g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where the FPB is not responsible for the non-compliance)

Description
None
Total

h) Details of irregular expenditure where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)³

Description	2024/25 R'000	2023/24 R'000
None	-	-
Total	-	-

i) Details of disciplinary or criminal steps taken as a result of irregular expenditure

ICT Project for Online Content Monitoring approval outside the delegation of authority amounting to R3,973,250.

Disciplinary steps taken
No disciplinary action taken during current year

1.2 Fruitless and wasteful expenditure

a) Reconciliation of fruitless and wasteful expenditure

Description	2024/25 R	2023/24 R
Opening balance	482	3,511
Adjustment to opening balance	7,378	-2,879
Opening balance as restated	7,860	632
Add: Fruitless and wasteful expenditure confirmed	1,297,110	8
Less: Fruitless and wasteful expenditure recoverable ⁴	-4,345	-2
Less: Fruitless and wasteful expenditure not recoverable and written off	-2,951	-156
Closing balance	1,312,266	482

The total of R2.8 million was reversed after the assessment was conducted. It was confirmed that the amount had been incorrectly classified as fruitless and wasteful expenditure. The opening balance was overstated by R37,896 and was adjusted accordingly.

³ Refer to paragraphs 3.12, 3.13 and 3.14 of Annexure A (PFMA Compliance and Reporting Framework) to National Treasury Instruction No. 4 of 2022/23

⁴ Transfer to receivables

Reconciling notes

Description	2024/2025	2023/2024
	R	R
Fruitless and wasteful expenditure that was under assessment	15,653	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	1,297,110	7,860
Total	1,312,763	7,860

b) Details of fruitless and wasteful expenditure (under assessment, determination and investigation)

Description ⁵	2024/2025	2023/2024
	R	R
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	15,653	7,860
Fruitless and wasteful expenditure under investigation	-	-
Total	15,653	7,860

c) Details of fruitless and wasteful expenditure recoverable

Description	2024/2025	2023/2024
	R	R
Fruitless and wasteful expenditure recoverable	4,345	7,860
Total	4,345	7,860

d) Details of fruitless and wasteful expenditure not recoverable and written off

Description	2024/2025	2023/2024
	R	R
Fruitless and wasteful expenditure written off	2,951	3,035,254
Total	2,951	3,035,254

Breakdown of write-off:

Late return or another branch for Avis Car R1,331

Cancellation of the Shuttle for the international trip R1,620

e) Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure

Disciplinary steps taken
In Progress: Disciplinary process for fruitless expenditure amounting to R1,281,456 related to payment of foreign company.

1.3 Additional disclosure relating to material losses in terms of PFMA Section 55(2)(b)(i) & (iii) ⁶

a) Details of material losses through criminal conduct

Material losses through criminal conduct	2024/2025	2023/2024
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recoverable and written off	-	-
Total	-	-

b) Details of other material losses

Nature of other material losses	2024/2025	2023/2024
	R'000	R'000
(Group major categories, but list material items)	-	-
Total	-	-

c) Other material losses recoverable

Nature of losses	2024/2025	2023/2024
	R'000	R'000
(Group major categories, but list material items)	-	-
Total	-	-

d) Other material losses not recoverable and written off

Nature of losses	2024/2025	2023/2024
	R'000	R'000
(Group major categories, but list material items)	-	-
Total	-	-

LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number invoices	Consolidated value
		R
Valid invoices received	616	7,665,332
Invoices paid within 30 days or the agreed period	609	7,465,429
Invoices paid after 30 days or the agreed period	4	190,015
Invoices older than 30 days or agreed period (unpaid and without dispute)	0	0
Invoices older than 30 days or agreed period (unpaid and in dispute)	3	9,889

⁶ Information related to material losses must also be disclosed in the annual financial statements.

SUPPLY CHAIN MANAGEMENT

Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Financial model for Revenue Enhancement	Government Technical Advisory Centre	State-Owned Entity	PO 2350	498,581
Top Media Communications	Public Sector Leaders advertorial services for Sona 2024	Sole supplier	PO 2298	94,789
Renewal of D-Bit Systems License	D-Bit Systems	Sole supplier	PO 2340	91,937
DFM Exhibition Space	Durban FilmMark Institute	Sole supplier	PO 2312	63,250
Lexis Nexus License Renewal	Lexis Nexus	Sole supplier	PO 2314	423,994
Microsoft Enterprise agreement for licence renewal	Microsoft SA	Sole supplier	Deviation	4,224,832
Live Reads and Outside Broadcast on Channel Africa	SABC	Sole supplier	PO2304	80,500
Office Space: FPB Cape Town	SABC	Sole supplier	Deviation	3,038,834
Total				8,516,717

33.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (expansion or variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R	R	R
Total						



PART F:

Financial Information

Report of the auditor-general to parliament on the Film and Publication Board

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Film and Publication Board (FPB) set out on pages 88 to 124, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Film and Publication Board as at 31 March 2025, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the accounting authority for the financial statements

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of

GRAP and the requirements of the PFMA, and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

7. In preparing the financial statements, the accounting authority is responsible for assessing the entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the entity or to cease operations or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 83 to 85, forms part of my auditor's report.

Report on the annual performance report

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
11. I selected the following material performance indicators related to core business programmes

presented in the annual performance report for the year ended 31 March 2025. I selected those indicators that measure the entity's performance on its primary mandated functions and that are of significant national, community or public interest.

- Number of prioritised research projects concluded to support mandate
 - Percentage (%) of commercial online distributor applications for self-classification processed within 90 days
 - Percentage (%) of quality assurance conducted on new self-classified content from commercial online distributors
 - Percentage (%) of child sexual abuse and exploitation material assessed
 - Percentage (%) implementation of the annual compliance plan
 - Percentage (%) of classification decisions issued within 7 working days
 - Percentage (%) of licensing and registration processed within 5 working days
 - Percentage (%) of enforcement action taken on identified/reported non-compliant distributors
 - Percentage (%) implementation of the integrated stakeholder engagement and communications plan
 - Percentage (%) of public complaints resolved within 60 days
 - Percentage (%) implementation of the victims' support plan
12. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the entity's planning and delivery on its mandate and objectives.
13. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the entity's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the entity's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific,

time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

14. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

15. I did not identify any material findings on the reported performance information for the selected indicators.

Other matter

16. I draw attention to the matter below.

Achievement of planned targets

17. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under-achievements.

Report on compliance with legislation

18. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the entity's compliance with legislation.

19. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

20. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

21. The material finding on compliance with the selected legislative requirements, presented per compliance theme, is as follows:

Procurement and contract management

22. Some of the invitations for competitive bidding were not advertised for a required minimum period, as required by Treasury Regulation 16A6.3(c).

Other information in the annual report

23. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported on in this auditor's report.
24. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
25. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
26. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, and if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

27. I considered internal controls relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
28. The matter reported below is limited to the significant internal control deficiencies that resulted in a material finding on compliance with legislation included in this report.
29. Management did not monitor compliance with legislation and the entity's policies to ensure that normal procurement processes are adhered to.

Auditor - General

Pretoria

01 August 2025



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

1. The auditor-general's responsibility for the audit
2. The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected strategic objectives and on the public entity's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made

- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the public entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
PFMA	Section 1 (definition of irregular expenditure) Section 38(1)(a)(iv); Section 38(1)(b); Section 38(1)(c)(i); Section 38(1)(c)(ii); Section 38(1)(d); Section 38(1)(h)(iii); Section 39(1)(a); Section 39(2)(a); Section 40(1)(a); Section 40(1)(b); Section 40(1)(c)(i); Section 43(4); Section 44; Section 45(b); Section 51(1)(a)(iv); Section 57(b)
Treasury Regulations	Regulation 4.1.1; Regulation 4.1.3; Regulation 5.1.1; Regulation 5.2.1; Regulation 5.2.3(a); Regulation 5.2.3(d); Regulation 5.3.1; Regulation 6.3.1(a); Regulation 6.3.1(b); Regulation 6.3.1(c); Regulation 6.3.1(d); Regulation 6.4.1(b); Regulation 7.2.1; Regulation 8.1.1; Regulation 8.2.1; Regulation 8.2.2; Regulation 8.2.3; Regulation 8.4.1; Regulation 9.1.1; Regulation 9.1.4; Regulation 10.1.1(a); Regulation 10.1.2; Regulation 11.4.1; Regulation 11.4.2; Regulation 11.5.1; Regulation 12.5.1; Regulation 15.10.1.2(c); Regulation 16A3.2 (fairness); Regulation 16A3.2(a); Regulation 16A6.1; Regulation 16A6.2(a); Regulation 16A6.2(b); Regulation 16A6.3(a); Regulation 16A6.3(b); Regulation 16A6.3(c); Regulation 16A6.3(e); Regulation 16A6.4; Regulation 16A6.5; Regulation 16A6.6; Regulation 16A7.1; Regulation 16A7.3; Regulation 16A7.6; Regulation 16A7.7; Regulation 16A8.3; Regulation 16A8.4; Regulation 16A9.1(d); Regulation 16A9.1(e); Regulation 16A9.1(f); Regulation 16A9.2(a)(ii); Regulation 17.1.1; Regulation 18.2; Regulation 19.8.4
Construction Industry Development Board (CIDB) Act 38 of 2000	Section 18(1)
CIDB Regulations	Regulations 17; Regulation 25(7A)
Preferential Procurement Policy Framework Act 5 of 2000	Section 1(i); Section 2.1(a); Section 2.1(b); Section 2.1(f)
Preferential Procurement Regulations of 2011	Regulation 4.1; Regulation 4.3; Regulation 5.5; Regulation 6.1; Regulation 6.5; Regulation 7.1; Regulation 9.1; Regulation 9.5; Regulation 11.2; Regulation 11.5
Preferential Procurement Regulations of 2017	Regulation 4.1; Regulation 4.2; Regulation 5.1; Regulation 5.3; Regulation 5.6; Regulation 5.7; Regulation 6.1; Regulation 6.2; Regulation 6.3; Regulation 6.5; Regulation 6.6; Regulation 6.8; Regulation 7.1; Regulation 7.2; Regulation 7.3; Regulation 7.5; Regulation 7.6; Regulation 7.8; Regulation 8.2; Regulation 8.5; Regulation 9.1; Regulation 10.1; Regulation 10.2; Regulation 11.1; Regulation 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Public Service Regulations of 2016	Regulation 18(1); Regulation 18(2); Regulation 25(1)(e)(i); Regulation 25(1)(e)(iii)
State Information Technology Agency Act 88 of 1998	Section 7(3)
NT SCM Instruction Note 05 of 2009/10	Paragraph 3.3

Legislation	Sections or regulations
NT SCM Instruction Note 04 of 2015/16	Paragraph 3.4
NT SCM Instruction Note 03 of 2016/17	Paragraph 8.1; Paragraph 8.2; Paragraph 8.3; Paragraph 8.5
NT SCM Instruction Note 4A of 2016/17	Paragraph 6
NT SCM Instruction Note 07 of 2017/18	Paragraph 4.3
NT SCM Instruction note 03 of 2019/20 Annexure A – FIPDM]	Paragraphs 5.5.1(vi); Paragraph 5.5.1(x)
NT SCM Instruction Note 08 of 2019/20	Paragraph 3.1.1; Paragraph 3.6; Paragraph 3.7.2; Paragraph 3.7.6(i); Paragraph 3.7.6(ii); Paragraph 3.7.6(iii)
NT SCM Instruction Note 03 of 2020/21	Paragraph 3.6; Paragraph 3.7; Paragraph 5.1(i); Paragraph 6.1; Paragraph 6.3

Accounting Authority's Responsibilities and Approval

While the Film and Publication Board (FPB) is not a company by legislation, the members of council are guided by the requirements of the Companies Act No. 71 of 2008, as amended) to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is the responsibility of the members to ensure that the financial statements fairly present the state of affairs of the entity as at the end of the year and the results of its operations and cash flows for the year then ended. The external auditors are engaged to express an independent opinion on the financial statements and given unrestricted access to all financial records and related data for their audit.

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the accounting authority sets standards for internal control aimed at reducing the risk of error or deficit in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the entity and

all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that, in all reasonable circumstances, is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The entity is dependent on the Department of Communications and Digital Technology for continued funding of operations. The financial statements are prepared on the basis that the entity is a going concern and that the Department of Communications and Digital Technology has neither the intention nor the need to liquidate or curtail materially the scale of the entity.

The accounting authority is primarily responsible for the financial affairs of the entity and these are audited by the entity's external auditors.

The financial statements set out on pages 89 to 125, which have been prepared on the going concern basis, were approved by the accounting authority on 31 July 2025, and were signed on its behalf by:



Mr Ephraim Tlhako
Acting Chief Executive Officer



Ms Zamantungwa Mkosi
Chairperson of Council

Accounting Authority's Report

The members submit their report for the year ended March 31, 2025.

Legal form and nature of business

The FPB is a public entity which was established in terms of the Film and Publications Act (No. 65 of 1996, as amended) and commenced business in March 1998. It is listed as a schedule 3A in terms of the Public Finance Management Act (No. 1 of 1999). The Executive Authority is the Department of Communications and Digital Technologies.

Review of activities

Main business and operations

The FPB regulates the creation, production, possession and distribution of films, games, certain publications by way of classification to:

1. protect consumers against harmful and disturbing material while allowing adults to make informed choices for themselves and the children in their care by providing consumer advice;
2. protect children from exposure to disturbing and harmful material and from premature exposure to adult material;
3. make the use of children in pornography and exposure to pornography punishable;
4. criminalise the possession, production and distribution of child pornography; and
5. create offences for noncompliance with this Act.

The FPB classifies films, games and certain publications through the provision of age-ratings and consumer advisories. This ensures that consumers of content, and particularly parents and guardians, by being informed of what may be contained therein are able to ensure that children are not prematurely exposed to harmful content that may have a socio-psychological impact on their development.

Results for the year

The financial operating results for the period were satisfactory. The FPB recorded a net deficit of R6,393,439.00 (2024 - Deficit R9,929,331.00).



Mr Ephraim Tlhako
Acting Chief Executive Officer

Going concern

We draw attention to the fact that of March 31, 2025, the entity had an accumulated surplus of R38,243,764.00 (R44,637,206.00 - 31 March 2024) and that the entity's total assets exceed its liabilities by R38,243,764.00 (R44,637,206.00 - 31 March 2024).

The financial statements have been prepared based on accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. There is no indication from the Department that the FPB will not continue to receive funding going forward.

Funding

The FPB received a Government Grant of R103,098,000.00 for the period ended 31 March 2025, and R103,860,000.00 for the year ended 31 March 2024.

Subsequent events

On 16 April 2025, the Chief Executive Officer ceased to hold office. This event occurred after the reporting date and does not affect the conditions that existed at year-end. The process of appointing a new CEO is underway.

Accounting policies

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP), including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The financial statements set out on pages 89 to 125, which have been prepared on the going concern basis, were approved by the accounting authority on 31 July 2025, and were signed on its behalf by:



Ms Zamantungwa Mkosi
Chairperson of Council

Statement of Financial Position

as at March 31, 2025

Figures in Rand	Notes	2025	2024 (Restated)
Assets			
Current assets			
Cash and cash equivalents	3	25,891,476	33,068,531
Receivables from exchange transactions	4	5,335,456	3,096,161
Statutory receivable – Exchange transaction	5	9,679,831	13,158,376
		40,906,763	49,323,068
Non-current assets			
Property, plant and equipment	6	9,200,531	7,813,759
Intangible assets	7	10,185,310	11,475,289
		19,385,841	19,289,048
Total assets		60,292,604	68,612,116
Liabilities			
Current liabilities			
Finance lease obligation	8	265,638	236,325
Payables from exchange transactions	9	13,928,079	15,248,165
Provisions	10	7,710,192	8,079,851
		21,903,909	23,564,341
Non-current liabilities			
Finance lease obligation	8	144,931	410,569
Total liabilities		22,048,840	23,974,910
Net assets		38,243,764	44,637,206
Accumulated surplus		38,243,764	44,637,206

FILM AND PUBLICATION BOARD
Financial statements for the year ended March 31, 2025

Statement of Financial Performance

Figures in Rand	Notes	2025	2024 (Restated)
Revenue			
Revenue from exchange transactions			
Regulation fees	12	15,678,566	13,061,497
Other revenue	13	785,946	577,716
Interest received	15	2,375,941	2,956,609
Total revenue from exchange transactions		18,840,453	16,595,822
Revenue from non-exchange transactions			
Transfer revenue			
Government grants and subsidies	14	103,098,000	103,860,000
Total revenue	11	121,938,453	120,455,822
Expenditure			
Employee related costs	16	(80,922,999)	(80,094,567)
Depreciation and amortisation	6 and 7	(3,355,665)	(3,037,110)
Finance costs	18	(63,552)	(41,743)
Lease rentals on operating lease	22	(7,585,728)	(6,851,215)
Loss on disposal of assets		(270,125)	(746,306)
General expenses	17	(36,133,823)	(39,614,212)
Total expenditure		(128,331,892)	(130,385,153)
Deficit for the period		(6,393,439)	(9,929,331)

Statement of Changes in Net Assets

Figures in Rand	Notes	Accumulated surplus/ (deficit)	Total net assets
Balance on April 01, 2022 as previously reported		47,766,537	47,766,537
Adjustments			
Prior period error - 28		6,800,000	6,800,000
Balance on March 31, 2023 as restated*		54,566,537	54,566,537
Deficit for the period		(9,929,331)	(9,929,331)
Total changes		(9,929,331)	(9,929,331)
Opening balance as previously reported		42,245,419	42,245,419
Adjustments			
Prior period error	28	2,391,784	2,391,784
Restated* balance at March 31, 2024 as restated*		44,637,203	44,637,203
Deficit for the period		(6,393,439)	(6,393,439)
Total changes		(6,393,439)	(6,393,439)
Balance on March 31, 2025		38,243,764	38,243,764

Cash Flow Statement

Figures in Rand	Notes	2025	2024 (Restated)
Cash flows from operating activities			
Receipts			
Grants		103,098,000	103,860,000
Interest received		2,375,941	2,956,609
Other receipts		785,946	199,173
Regulation fees		16,917,816	14,609,597
		123,177,703	121,625,379
Payments			
Employee costs		(81,903,834)	(81,054,540)
Suppliers		(44,428,465)	(40,296,850)
		(126,332,299)	(121,351,390)
Undefined difference compared to the cash generated from operations note		-	1
Net cash flows from operating activities	20	(3,154,596)	273,990
Cash flows from investing activities			
Purchase of infrastructure, plant and equipment	6	(3,716,588)	(2,142,814)
Proceeds from sale of Infrastructure, plant and equipment	6	-	378,543
Purchase of intangible assets	7	(5,999)	(1,833,457)
Net cash flows from investing activities		(3,722,587)	(3,597,728)
Cash flows from financing activities			
Finance lease payments		(236,319)	646,898
Finance cost		(63,552)	(41,743)
Net cash flows from financing activities		(299,871)	605,155
Net increase/(decrease) in cash and cash equivalents		(7,177,054)	(2,718,583)
Cash and cash equivalents at the beginning of the period		33,068,531	35,787,114
Cash and cash equivalents at the end of the period	3	25,891,477	33,068,531

Statement of Comparison of Budget and Actual Amounts

Figures in Rand	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Regulation fees	19,280,569	(3,291,749)	15,988,820	15,678,566	(310,254)	(a)
Other income	-	-	-	785,946	785,946	(b)
Interest received	2,332,500	400,000	2,732,500	2,375,941	(356,559)	(c)
Total revenue from exchange transactions	21,613,069	(2,891,749)	18,721,320	18,840,453	119,133	
Revenue from non-exchange transactions						
Transfer revenue						
Government grants and subsidies	103,098,000	-	103,098,000	103,098,000	-	
Total revenue	124,711,069	(2,891,749)	121,819,320	121,938,453	119,133	
Expenditure						
Personnel	(79,966,010)	(900,048)	(80,866,058)	(80,922,999)	(56,941)	(d)
Depreciation and amortisation expenses	-	-	-	(3,355,665)	(3,355,665)	
Finance costs	-	-	-	(63,552)	(63,552)	
Lease rentals on operating lease	(8,639,228)	1,000,000	(7,639,228)	(7,585,728)	53,500	
Travel and subsistence	(4,864,643)	1,975,872	(2,888,771)	(3,542,018)	(653,247)	(e)
Training and development	(750,000)	(355,135)	(1,105,135)	(1,874,958)	(769,823)	
Administrative	(23,671,271)	1,210,160	(22,461,111)	(16,954,496)	5,506,615	(f)
Marketing and communications	(3,813,101)	1,441,900	(2,371,201)	(2,524,775)	(153,574)	(g)
Consulting	(1,706,816)	(831,000)	(2,537,816)	(3,916,684)	(1,378,868)	(h)
Legal services	(800,000)	(800,000)	(1,600,000)	(3,699,440)	(2,099,440)	(i)
Repairs and maintenance	(500,000)	150,000	(350,000)	(265,787)	84,213	
Total expenditure	(124,711,069)	2,891,749	(121,819,320)	(124,706,102)	(2,886,782)	
Operating deficit	-	-	-	(2,767,649)	(2,767,649)	
Loss on disposal of assets and liabilities	-	-	-	(270,125)	(270,125)	
Deficit before taxation	-	-	-	(3,037,774)	(3,037,774)	
Deficit for the year from continuing operations	-	-	-	(3,037,774)	(3,037,774)	
Actual amount on comparable basis as presented in the budget and actual comparative statement	-	-	-	(3,037,774)	(3,037,774)	
Reconciliation						
Basis difference						
Depreciation and amortisation				(3,355,665)		
Actual amount in the Statement of Financial Performance				(6,393,439)		

Statement of Comparison of Budget and Actual Amounts

The budget for 2024/2025 financial year was approved and prepared on the accrual basis (except for depreciation and amortisation) and all transactions were accounted for on accrual basis. Transfers received during the current financial year were from the Department of Communications and Digital Technologies and entities included in the budget were disclosed in Note 21. The changes between original budget and the adjustment budget is mainly due to a consequence of reallocation within the budget.

- a) The undercollection of regulation fees is primarily due to delays in renewing expired agreements with online content distributors, as well as the slow onboarding of non-compliant distributors. The shortfall in classification fees is attributed to a reduced volume of material submitted for classification, which aligns with industry trends reflecting a continued decline in physical formats such as DVDs. However, we anticipate an increase in submissions related to film festivals, which tend to be seasonal and subject to fluctuation.
- b) Other revenue is not budgeted for as it is not material, however FPB received the income from the recoveries for the employees' secondment of the employees and repayment of the overpayment for employee.
- c) The under-collection of interest was primarily due to lower-than-anticipated interest rates and delays in receiving the payments from the department.
- d) The personnel budget was underspend mainly because of vacancies. When positions are filled on an acting basis, the acting allowance is lower than the full-time cost.
- e) The overspending was mainly due to the additional costs incurred in implementing and introducing additional outreach activities in all the provinces to educate the consumer about FPB.
- f) The underspending in admin costs is due to the fact that management implemented cost containment measures online items like stationery, catering, workshops and utilisation of the transversal contracts.
- g) The over expenditure was due to the implementation of the communication strategy and new branding in the Cape Town.
- h) The over expenditure on consulting was due to certain projects requiring specialised skills, including senior software developer, forensic investigations and security operations centre implementation .
- i) The overspending on legal services was primarily driven by additional investigations initiated following whistle-blower reports, as well as other ongoing litigation matter.

Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

These financial statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention unless specified otherwise. They are presented in South African Rand. The AFS is rounded to the nearest Rand.

A summary of the significant accounting policies, which have been consistently applied are disclosed below.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgements made relates to the useful lives of, or expected pattern of consumption of economic benefits or service potential embodied in, depreciable assets, provisions, contingent liabilities, tax revenue due to government, bad debts arising from uncollected taxes, the fair value of financial assets and financial liabilities and warranty obligations.

Trade and other receivables

The entity assesses its trade and other receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit. The impairment is established when there is objective evidence that the FPB will not be able to collect all amounts due according to the original terms of receivables.

Impairment testing

Property, plant and equipment and Intangible assets are considered for impairment if there is a reason to believe that an impairment may be necessary.

The future cash flows expected to be generated by the assets are projected taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current carrying value and, if lower, the assets are impaired to the present value.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 10 - Provisions.

The leave pay provision is based on actual days leave due to employees at their rate of remuneration. Remuneration increases take effect annually at the beginning of the financial year. In determining the provision, it is assumed that no leave will be forfeited. The assumption is based on past history.

The entity is required to recognise provisions for claims arising from litigation when the occurrence of the claim is probable, and the amount of the loss can be reasonably estimated. Liabilities provided for legal matters require judgments regarding projected outcomes and ranges of losses based on historical experience and recommendations of legal unit.

Litigation is however unpredictable and actual costs incurred could differ materially from those estimated at the reporting date.

Going concern assumption

The Annual Financial Statements have been prepared on a going concern basis.

Accounting Policies (continued)

Offsetting

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

Depreciation and amortisation

At the end of each financial year, management assesses whether there is any indication that the FPB's expectations about the useful life of assets included in the property, plant and equipment and intangible assets have changed since the preceding reporting date. If any such indication exists, the change has been accounted for as a change in accounting estimate in accordance with Standards of GRAP on Accounting Policies, changes in accounting estimates and errors. The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

1.2 Property, plant and equipment

Property, plant and equipment are tangible non-current assets that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Item	Average useful life
Furniture and fixtures	12-20 years
Motor vehicles	5 years
Office equipment	4-15 years
Computer equipment	4-8 years
Leasehold improvements	2-10 years
Leased – Motor vehicles	3-5 years

Accounting Policies (continued)

The entity assesses at each reporting date whether there is any indication that the entity expectations about the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are de-recognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is de-recognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.3 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

After initial recognition, an intangible asset shall be carried at its cost less any accumulated amortisation and any accumulated impairment losses.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

The entity will test an intangible asset with an indefinite useful life or an intangible asset not yet available for use for impairment by comparing its recoverable amount and recoverable service amount, as appropriate, with its carrying amount:

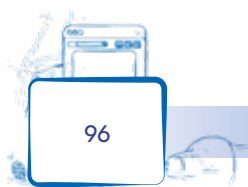
- annually; and
- whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date. Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight line	3 - 12 Years

Intangible assets are de-recognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.



Accounting Policies (continued)

1.4 Financial instruments

Classification

The entity has the following types of financial assets as reflected on the face of the Statement of Financial Position or in the notes thereto:

The classification depends on whether or not the financial instrument meets the criteria of a specific financial instrument category.

Financial assets Class	Category
Receivables from exchange transaction	Financial asset measured at amortised cost
Cash and Cash equivalents	

Financial liabilities Class	Category
Payables from exchange transaction	Financial liability measured at amortised cost

Initial recognition and measurement

The entity recognises a financial asset or a financial liability in its statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument.

The entity classifies the instrument, or its component parts, on initial recognition as a financial liability, a financial asset or residual interest in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and a residual interest.

The entity measures all financial assets and financial liabilities at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

For financial instruments which are not at fair value through surplus or deficit, transaction costs are included in the initial measurement of the instrument.

The entity shall disclose the carrying amounts of each of the categories of financial instruments.

Subsequent measurement

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

1. Financial instruments at fair value
2. Financial instruments at amortised cost
3. Financial instruments at cost

Reclassification

The entity does not reclassify a financial instrument while it is issued or held unless it is:

- combined instrument that is required to be measured at fair value; or
- an investment in a residual interest that meets the requirements for reclassification.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 180 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Accounting Policies (continued)

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the deficit is recognised in surplus or deficit within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in surplus or deficit.

Payables from exchange transactions

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at amortised cost.

1.5 Statutory receivables

Identification

Statutory receivables are receivables that arise from the Films and Publications Act (No.65 of 1996), as amended, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

The transaction amount (for purposes of this Standard) for a statutory receivable is determined using the gazetted tariffs as approved by the minister of Communications and Digital Technologies in line with the Films and Publications Act (No.65 of 1996).

Recognition

The entity recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on revenue from non-exchange transactions (taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Subsequent measurement

Accrued interest

Where the entity levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on revenue from exchange transactions or the policy on revenue from non-exchange transactions (taxes and transfers), whichever is applicable.

Impairment losses

The entity assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

Accounting Policies (continued)

In assessing whether statutory receivables are impaired, an entity assesses whether there are any indications that:

- a) individually significant receivables are impaired; and/or
- b) groups of similar, individually insignificant, receivables are impaired.

If there is no indication that an individually significant statutory receivable is impaired, it is included in a group of similar receivables and collectively assessed for impairment. Statutory receivables shall be grouped together and assessed collectively for impairment when they exhibit similar characteristics which provide information about the possible collectability of the amounts owing to the entity. If an impairment loss is, or continues to be, recognised for an individually significant receivable, then those receivables are not included in a collective assessment.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the entity considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the entity measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

In estimating the future cash flows, an entity considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The entity derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the entity transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the entity, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognise the receivable; and
 - recognise separately any rights and obligations created or retained in the transfer.

Accounting Policies (continued)

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.6 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases - lessee

At the commencement of the lease term, lessees shall recognise assets acquired under finance leases as assets and the associated lease obligations as liabilities in their statement of financial position. The assets and liabilities shall be recognised at amounts equal to the fair value of the leased property or if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate to be used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine; if not, the lessee's incremental borrowing rate shall be used. Any initial direct costs of the lessee are added to the amount recognised as an asset.

Minimum lease payments shall be apportioned between the finance charge and the reduction of the outstanding liability. The finance charge shall be allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents shall be charged as expenses in the periods in which they are incurred.

A finance lease gives rise to a depreciation expense for depreciable assets as well as finance expense for each accounting period. The depreciation policy for depreciable leased assets shall be consistent with that for depreciable assets that are owned, and the depreciation recognised shall be calculated in accordance with the Standards of GRAP on Property, Plant and Equipment (GRAP 17) and Intangible Assets (GRAP 31). If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

Operating leases - lessee

Lease payments under an operating lease shall be recognised as an expense in the statement of financial performance on a straight-line basis over the lease term. To the extent that the straight-lined lease payments differ from the actual lease payments the difference is recognised in the Statement of Financial Position as either lease payments in advance (operating lease asset) or lease payments payable (operating lease liability) as the case may be. This resulting asset and/or liability is measured at the undiscounted difference between the straight-line lease payments and the contractual lease payments.

1.7 Impairment of cash-generating assets

Criteria developed by entity for cash-generating assets are as follows:

Designation

At initial recognition, the entity designates an asset as cash-generating unit as cash-generating. The designation is made on the basis of an entity's objective of using the asset.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The entity assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the entity estimates the recoverable amount of the asset.



Accounting Policies (continued)

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

Recognition and measurement (individual asset)

An impairment loss is recognised immediately in surplus or deficit.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the entity recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use. Useful life is either:

- the period over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

1.8 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees. A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the

Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Accounting Policies (continued)

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries, UIF and social security contributions;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cell phones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

1.9 Provisions and contingencies

A provision is a liability of uncertain timing or amount. A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent liability is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount to be recognised as a provision shall be the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.



Accounting Policies (continued)

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in Note 23.

(b) a present obligation that arises from past events but is not recognised because:

- (i) it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- (ii) the amount of the obligation cannot be measured with sufficient reliability.

1.10 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Interest

Interest is recognised, in surplus or deficit, using the effective interest rate method.

1.11 Revenue from non-exchange transactions

Non-exchange transactions are defined as transactions where the entity receives value from another entity without directly giving approximately equal value in exchange.

Accounting Policies (continued)

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Government grants

Government grants are recognised as revenue when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity,
- the amount of the revenue can be measured reliably, and
- to the extent that there has been compliance with any restrictions associated with the grant.

The entity assesses the degree of certainty attached to the flow of future economic benefits or service potential on the basis of the available evidence. Certain grants payable by one level of government to another are subject to the availability of funds. Revenue from these grants is only recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the entity. An announcement at the beginning of a financial year that grants may be available for qualifying entities in accordance with an agreed programme may not be sufficient evidence of the probability of the flow. Revenue is then only recognised once evidence of the probability of the flow becomes available.

Restrictions on government grants may result in such revenue being recognised on a time proportion basis. Where there is no restriction on the period, such revenue is recognised on receipt or when the Act becomes effective, whichever is earlier.

When government remit grants on a re-imbursement basis, revenue is recognised when the qualifying expense has been incurred and to the extent that any other restrictions have been complied with.

1.12 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds. Borrowing costs are recognised as an expense in the period in which they are incurred.

1.13 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At each reporting date:

- foreign currency monetary items are translated using the closing rate;

Exchange differences are recognised in surplus or deficit in the period in which they arise.

1.14 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.15 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

Accounting Policies (continued)

1.16 Irregular expenditure

Irregular expenditure as defined in section 1 of the Public Finance Management Act (No. 1 of 1999) (PFMA) is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including –

- a) this Act; or
- b) the State Tender Board Act (No. 86 of 1968), or any regulations made in terms of the Act; or
- c) any provincial legislation providing for procurement procedures in that provincial government.

Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

1.17 Budget information

The financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of Comparison of Budget and Actual Amounts. The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 04/01/2024 to 03/31/2025.

1.18 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its financial statements.

1.19 Change in accounting policy

There was no change in accounting policy and standard that was adopted during the year.

Notes to the Financial Statements

2. New standards and interpretations

The following standards of GRAP have been approved but are not yet effective and not yet applied for the year ended 31 March 2024:

1. GRAP 104 (Revised): Financial instruments - Effective date 1 April 2025

Overview: The revised GRAP 104 aligns more closely with international standards, particularly IFRS 9, introducing a principle-based approach to classification and measurement of financial instruments.

Key Changes:

- Updated classification and measurement criteria for financial assets and liabilities.
- Introduction of an expected credit loss model for impairment assessment.
- Enhanced disclosure requirements to improve transparency.

2. GRAP 1: Presentation of financial statements - Effective date 1 April 2025

Overview: Amendments focus on improving the clarity and relevance of financial statement disclosures.

Key changes:

Replacement of the term “significant accounting policies” with “material accounting policies” to align with the Conceptual Framework.

Removal of encouraged disclosures that provide limited information value.

3. GRAP 3: Accounting policies, changes in accounting estimates and errors - Effective date 1 April 2025 Overview: Clarifications have been made to definitions and guidance to enhance consistency in application.

Key changes:

Refined definitions of accounting estimates and policies.

Clarified guidance on the treatment of changes in accounting estimates versus errors.

4. GRAP 17: Property, plant and equipment - Effective date 1 April 2025

Overview: Amendments address specific issues related to the depreciation of land used for landfill sites.

Key changes:

Clarification that land used as a landfill site should not be depreciated, as its nature does not change over time.

5. GRAP 13: Leases - Effective date 1 April 2025

Overview: Minor amendments have been made to improve the clarity of lease classification and measurement.

Key changes:

Enhanced guidance on distinguishing between finance and operating leases.

6. GRAP 19: Provisions, contingent liabilities and contingent assets - Effective date 1 April 2025 Overview: Improvements aim to provide clearer guidance on the recognition and measurement of provisions.

Key changes:

Clarified criteria for the recognition of provisions.

Enhanced disclosure requirements for contingent liabilities and assets.



Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
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7. GRAP 20: Related party disclosures - Effective date 1 April 2025

Overview: Amendments enhance the disclosure requirements to provide better insight into related party relationships and transactions.

Key Changes:

Expanded definitions of related parties.

Additional disclosure requirements for related party transactions.

8. GRAP 23: Revenue from non-exchange transactions (taxes and transfers) - Effective date 1 April 2025

Overview: Clarifications have been made to improve the recognition and measurement of revenue from non-exchange transactions.

Key Changes:

Refined guidance on the recognition of assets and revenue.

Enhanced disclosure requirements for conditions and restrictions attached to revenue.

9. GRAP 5: Borrowing costs - Effective date 1 April 2025

Overview: Amendments provide clearer guidance on the capitalization of borrowing costs.

Key changes:

Clarified criteria for the capitalization of borrowing costs related to qualifying assets.

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	3,369	9,916
Bank balances	9,553,266	5,481,359
Short-term deposits	16,334,841	27,577,256
	25,891,476	33,068,531

The short-term deposits relate to investments held at Corporation for Public Deposit (CPD) and ABSA call account and it is available for use immediately as required by FPB.

Cash and cash equivalents held by the entity are available for use.

4. Receivables from exchange transactions

Debtors	3,445,120	2,954,942
Staff petty cash advance	9,501	12,419
Sundry deposit	132,835	117,400
Pre-payments	1,748,000	11,400
	5,335,456	3,096,161

Debtors

The balance includes an amount of R661,196.11 owed by ICASA, R910,897.00 by Vodacom, R807,723.00 by DPW as well as amounts due from other sundry debtors.

Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
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At the end of the reporting period, none of the trade and other receivables from exchange transactions were past due or impaired.

The age analysis was as follows:

180 days	- R2,552,795
150 days	- R713,513
120 days	- R85,628
90 days	- R93,185
Total	<u>R3,445,120</u>

Staff petty cash advance

The Staff petty cash advance are the advances given to staff members for catering, fuel, and other petty items.

Sundry deposit

As a result of the further extension of the lease for the Durban Regional Office from 1 June 2024 to 31 May 2025, an additional security deposit of R15,434.70 was paid to the lessor in accordance with the lease terms.

This amount was added to the existing sundry deposit of R117,400.00, resulting in a total deposit of R132,834.70 currently held by the lessor. The deposit is held as security for the operating lease of the Durban offices and will be refunded subject to compliance with all lease obligations by the FPB.

Prepayments

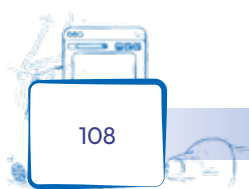
The amount disclosed under prepayments relates to advance payments made for the SOMA contract, specifically for software license fees associated with the hosting of the system.

5. Statutory receivable - Exchange transaction Current assets

Statutory receivable	9,679,831	13,158,376
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Statutory receivables arise from the Films and Publications Act (No. 65 of 1996, as amended), and requires the distributors to register with the board for an annual license to distribute content physically or online. The receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably. The entity is required or entitled in terms of Films and Publications Act (No. 65 of 1996, as amended) to levy additional charges on overdue or unpaid amounts, and such charges are levied, the entity applies the principles as stated in "Accrued interest" as well as the relevant policy on revenue from exchange transactions.

Management analysed the statutory receivable to consider if there is any of them that are past due and concluded that none of them as of 31 March 2025 are impaired. At the end of the reporting period management reviewed the composition of the receivables and concluded that the material statutory receivables were current, and comprised reputable companies which are leaders in their fields as such the probability of such companies not paying their debts is negligible. The amount of R4.3 million relates to prior period error adjustments, however, the system has categorised it as older than 180 days because they relate to the prior period. Furthermore, the immaterial receivables are related to amounts owed by distributors who conduct business with FPB on a regular basis. These will be recovered as and when payments are made prior to classification of material.



Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
Age analysis for statutory receivable		
180 Days	- R4,320,041	- R7,358,964
150 Days	- R15,558	- R13,724
120 Days	- R13,160	- R1,281
90 Days	- R10,435	- R2,474
60 Days	- R0	- R25,366
30 Days	- R0	- R152,489
Current	- R5,320,636	- R5,604,078
Total	- R9,679,831	- R13,158,376

6. Property, plant and equipment

	2025			2024		
	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and fixtures	3,689,176	(2,390,992)	1,298,184	3,741,087	(2,274,111)	1,466,976
Motor vehicles	3,796,457	(2,963,176)	833,281	3,796,457	(2,275,614)	1,520,843
Office equipment	2,985,292	(1,846,636)	1,138,656	3,105,259	(1,808,974)	1,296,285
Computer equipment	10,088,376	(4,537,635)	5,550,741	6,719,550	(3,823,386)	2,896,164
Leasehold improvements	1,968,866	(1,966,740)	2,126	1,968,866	(1,964,614)	4,252
Leased - office equipment	755,088	(377,545)	377,543	755,088	(125,849)	629,239
Total	23,283,255	(14,082,724)	9,200,531	20,086,307	(12,272,548)	7,813,759

Reconciliation of property, plant and equipment - 31 March 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	1,466,976	-	(253)	(168,539)	1,298,184
Motor vehicles	1,520,843	-	-	(687,562)	833,281
Office equipment	1,296,285	29,400	-	(187,029)	1,138,656
Computer equipment	2,896,164	3,687,184	(1,361)	(1,031,246)	5,550,741
Leasehold improvements	4,252	-	-	(2,126)	2,126
Leased - Office equipment	629,239	-	-	(251,696)	377,543
	7,813,759	3,716,584	(1,614)	(2,328,198)	9,200,531

Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
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Reconciliation of property, plant and equipment - 31 March 2024

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	1,637,227	-	(830)	(169,421)	1,466,976
Motor vehicles	1,467,201	804,373	-	(750,731)	1,520,843
Office equipment	1,376,848	158,774	(46,906)	(192,431)	1,296,285
Computer equipment	4,433,681	424,574	(698,574)	(1,263,517)	2,896,164
Leasehold improvements	8,503	-	-	(4,251)	4,252
Leased - Office equipment	136,309	755,089	-	(262,159)	629,239
	9,059,769	2,142,810	(746,310)	(2,642,510)	7,813,759

Pledged as security

None of the assets disclosed above have been pledged as security for liabilities.

Repairs and Maintenance

The amount for repair and maintenance of property plant and equipment was R8 000.

7. Intangible assets

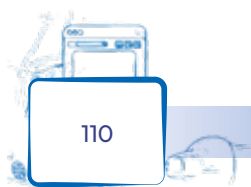
	2025			2024		
	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost/ Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Computer software	1,742,318	(1,242,631)	499,687	2,744,689	(1,859,356)	885,333
Intangible assets internally generated	10,851,995	(1,166,372)	9,685,623	10,851,995	(262,039)	10,589,956
Total	12,594,313	(2,409,003)	10,185,310	13,596,684	(2,121,395)	11,475,289

Reconciliation of intangible assets - 31 March 2025

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software	885,333	5,999	(268,681)	(122,964)	499,687
Intangible assets internally generated	10,589,956	-	-	(904,333)	9,685,623
	11,475,289	5,999	(268,681)	(1,027,297)	10,185,310

Reconciliation of intangible assets - 31 March 2024

	Opening balance	Additions	Internally generated	Other changes, movements	Amortisation	Total
Computer software	3,920,479	-	(2,902,585)	20,155	(152,716)	885,333
Intangible assets under development	6,115,953	1,833,457	2,902,585	(20,155)	(241,884)	10,589,956
	10,036,432	1,833,457	-	-	(394,600)	11,475,289



Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
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Online Content Regulation Software (OCR)

The amount of intangible assets internally developed is for the costs of development for the OCR and it is material to the operations of FPB.

Pledged as security

None of the assets disclosed above have been pledged as security for liabilities.

8. Finance lease obligation

Minimum lease payments due

- within one year	299,876	299,876
- in second to fifth year inclusive	149,938	449,814
	449,814	749,690
less: future finance charges	(39,245)	(102,796)
Present value of minimum lease payments	410,569	646,894

Present value of minimum lease payments due

- within one year	265,638	236,325
- in second to fifth year inclusive	144,931	410,569
	410,569	646,894

Non-current liabilities	144,931	410,569
Current liabilities	265,638	236,325
	410,569	646,894

The FPB has entered into a lease agreement for eight (8) photocopiers for a period of three years (36 months) effective from 01 October 2023, ending 30 September 2026. The transaction has been treated as a finance lease as per the requirements of GRAP. The lease contract does not have an annual escalation of interest rates and the repayments are fixed at the contract date. The entity will pay the total monthly minimum charge and the additional scan/copy charges if any. All leases have fixed repayments and no arrangements have been entered into for contingent rent. The service provider will also be entitled to an interest on all overdue amounts at the rate of 2% above the prime lending rate.

9. Payables from exchange transactions

Trade payables	5,854,329	6,590,631
Payments received in advanced - contract in process	1,253,114	718,414
Debtors with credit balance	3,094,517	4,875,088
Pension	1,329	-
Medical aid	7,337	22,346
Other accruals *	3,717,453	3,041,686
	13,928,079	15,248,165

*Included under other accrual is the 13th cheque accrual of R818 355.06 (R597 495.01 on 31 March 2024). The 13th cheque is an option available to employees to receive their total cost to company remuneration over 13 months and not 12 months. The 13th cheque is paid to staff in December.

Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
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10. Provisions

Reconciliation of provisions - 31 March 2025

	Opening Balance	Additions	Utilised during the year	Total
1. Performance bonuses	1,510,549	2,020,674	(1,510,549)	2,020,674
2. Leave pay	2,967,059	3,820,064	(4,699,848)	2,087,275
3. Litigation and claims	3,602,243	-	-	3,602,243
	8,079,851	5,840,738	(6,210,397)	7,710,192

Reconciliation of provisions - 31 March 2024

	Opening Balance	Additions	Utilised during the year	Total
1. Performance bonuses	3,443,804	1,210,549	(3,143,804)	1,510,549
2. Leave pay	1,786,300	1,929,604	(748,845)	2,967,059
3. Litigation and claims	3,602,243	-	-	3,602,243
	8,832,347	3,140,153	(3,892,649)	8,079,851

Provisions are liabilities of uncertain timing or amount thus the reason for the disclosure of uncertainties about timing or amounts. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If the effect is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

1. The provision recognised on performance bonuses amount is based on the 2,41% of the approved annual salary cost. The payment for bonuses is subject to approval by council and is not expected to exceed the budgeted amount.
2. The leave pay provision accounts for vested leave pay to which employees may become entitled upon exit from the service of FPB.
3. On 5 May 2021, the CCMA awarded R1,174,380.00 to a former employee who was dismissed. In response, FPB launched a review application in the Labour Court on 15 June 2021. FPB is currently awaiting a set-down date from the Labour Court for the hearing of the review application. The provision of R3,602,243.00 for litigation and claims includes the amount calculated from the award amount to the time that the employee was eligible for retirement. This provision relates to a labour relations matter, and the amount was determined using the cost-to-company salary that the employee was earning at the time of their exit from FPB.

11. Revenue

Regulation fees (classification and registration fees)	15,678,566	13,061,497
Other income	785,946	577,716
Interest received - investment and bank balance	2,375,941	2,956,609
Government grants and subsidies	103,098,000	103,860,000
	121,938,453	120,455,822

Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
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The amount included in revenue arising from exchanges of goods or services are as follows:

Classification fees	1,482,204	1,163,682
Registration fees	786,640	545,336
Annual renewal fees	238,165	199,719
Online license fees	13,131,352	11,121,537
Internet service provider registration	40,204	31,223
Other income	785,946	577,716
Interest received - investment and bank balance	2,375,941	2,956,609
	18,840,452	16,595,822

The amount included in revenue arising from non-exchange transactions is as follows:

Transfer revenue		
Government grants and subsidies	103,098,000	103,860,000

12. Regulation fees

Classification fees	1,482,204	1,163,682
Registration fees	786,640	545,336
Annual renewal fees	238,165	199,719
Online license fees	13,131,352	11,121,537
Internet service provider registration	40,204	31,223
	15,678,565	13,061,497

13. Other revenue

Other income and recoveries*	785,946	401,726
Gains on foreign exchange	-	175,990
	785,946	577,716

*Other income includes amounts received for various non-operational activities. These comprise:

- Income received from the secondment of an employee to a sister entity;
- Refunds from an employee for overpayments made in prior periods;
- Repayment of study assistance by a former employee; and
- Other miscellaneous income from minor recoveries and adjustments.

These items are once-off or incidental in nature and do not form part of the entity's core revenue-generating activities.

14. Government grants and subsidies Operating grants

Department of Communication and Digital Technologies - Operating grant	103,098,000	103,860,000
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The entity receives government grants from the National Treasury via the Department of Communication and Digital Technologies. These funds are utilised to execute the mandate of the FPB. The grant from the National Treasury is not a conditional grant.

Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
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15. Interest received - Investment and trade receivables

Interest revenue

Interest from investment accounts	2,063,483	2,956,609
Interest charged on trade and other receivables	312,458	-
	2,375,941	2,956,609

The total interest income for the year amounts to R2,375,941.00, which is comprised of the following:

- An amount of R2,063,483.11 represents interest earned on investments, specifically from funds held in Corporation for Public Deposits (CPD), bank accounts and call accounts. This reflects the return on surplus funds invested during the year.
- The remaining R312,457.89 relates to interest charged on late payments by debtors, in line with the organisation's credit terms and interest policy.

16. Employee related costs

Salaries and Bonuses	48,480,396	44,804,098
Classifiers remuneration	2,816,410	3,474,772
Medical aid - Employer contributions	3,110,023	3,422,129
UIF	397,298	403,962
SDL	170,814	-
Leave pay provision charge	(879,785)	1,180,759
Retirement fund contributions	8,263,567	7,790,747
Staff Union	74,790	73,970
PAYE	18,489,486	18,944,130
	80,922,999	80,094,567

Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
17. General expenses		
Advertising	12,358	58,006
Auditors' remuneration	1,905,371	2,637,363
Bank charges	73,553	64,590
Cleaning and maintenance	314,495	696,727
Consulting and professional fees	3,916,684	4,191,375
Legal fees*	3,699,440	1,404,062
FPB Council	2,011,231	2,328,190
Insurance	760,125	1,173,768
ICT expenses**	8,462,236	10,262,177
Fleet	563,243	698,486
Fuel and oil	-	3,750
Postage and courier	2,042	4,171
Printing and stationery	287,839	85,779
Public relations ***	2,524,775	1,609,858
Research and development costs	229,922	162,805
Staff development, recruitment and welfare	1,874,958	2,070,427
Subscriptions and membership fees	306,293	98,736
Telephone and fax	1,631,977	1,758,199
Transport and freight	56,059	74,650
Travel - local ***	2,951,370	5,259,729
Travel - overseas	590,648	1,732,076
Refuse	325,567	32,107
Water and electricity	1,078,781	1,057,270
Management fees	334,642	289,625
Enforcement committee	44,709	170,009
Workshops and meetings	1,595,273	1,247,043
Loss on forex exchange	7,058	-
Stakeholders relations	-	84,993
Lease expenses	28,622	224,379
Appeal tribunal	451,710	59,359
Storage - Classification material	92,842	74,503
	36,133,823	39,614,212

*Legal services - Legal fees include additional investigations initiated following whistle-blower reports, as well as other ongoing litigation matters.

**ICT expenses - Include system maintenance and license fees - The cost drivers are mainly due to the disaster recovery services, connectivity fees and license fees.

***Public relations and Travel (local) - The cost of travel relates to added outreach activities in an effort to educate the consumers about the mandate of the FPB.

The amount for repairs and maintenance in relation to property, plant and equipment is immaterial and it is included under ICT expenses and cleaning and maintenance.

Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
18. Finance Costs		
Finance leases	63,552	41,743
19. Auditors' remuneration		
Fees	1,905,371	2,637,363
20. Net cash flows from operating activities		
Deficit	(6,393,439)	(9,929,331)
Adjustments for:		
Depreciation and amortisation expense	3,355,665	3,037,110
Loss on sale of assets	270,125	746,309
Finance costs – Finance leases	63,552	41,743
Movements in provisions	(369,659)	(752,496)
Proceeds from sale of assets	-	(378,543)
Changes in working capital:		
Receivables from exchange transactions	(2,239,300)	(7,439)
Statutory receivables	3,478,545	2,219,137
Payables from exchange transactions	(1,320,085)	5,297,500
	(3,154,596)	273,990

21. Employee benefit obligations

Retirement Benefit Payment

The FPB contributes for all qualifying employees the retirement benefits to a Fund in which assets

are held and controlled by Alexander Forbes Retirement Fund. As of 31 March 2025, current services costs of R8,263,567.00 (31 March 2024 – R7,790,747.00) were recognised as expenses which is limited to the contributions that were paid. Actual contributions paid during the current financial year have been disclosed as Note 16.

22. Lease rentals on operating lease

Operating lease	2025	2024
Premises	7,585,728	6,851,215

22.1 Operating Lease – Head Office

The FPB has an outstanding commitment in respect of operating lease for Head Office situated in Centurion. The lease agreement was entered into for a period of 5 years effective from 1 February 2012.

In February 2014, the FPB acquired new office space for their Head Office situated in Centurion. The lease agreement was entered into for a period of 3 years effective from 1 February 2014.

In February 2018, the FPB entered into an agreement on a month-to-month lease until recently when they entered into another lease agreement for 12 months from 1 March 2022 to 28 February 2023.

Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
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Following 28 February 2023, the lease continued on a month-to-month basis. There is no contingent rental payable in terms of the agreement.

Annual escalations 6,5% (2025 and 2024)

Future Minimum Lease Payments

Up to 1 year	5,922,007	5,741,873
5 or more years	-	-

22.2 Operating Lease - Durban Office

The FPB acquired additional office space for their regional office situated in Durban. The lease agreement was entered into for a period of 3 years effective from 1 August 2015 to July 2018 and it was further extended for additional 3 years from 01 August 2018 to 31 July 2021 and it was again extended for additional 12 months from 01 August 2021 to 31 July 2022. There is an additional extension of 12 months from 1 August 2022 to 31 July 2023. Operating leases liabilities for this lease fall due as follows:

The latest addendum was signed, formally extending the lease term from 1 June 2024 to 31 May 2025. The lease remains classified as an operating lease, with no change to the nature of the arrangement.

There is no contingent rental payable in terms of the agreement.

Annual escalations 5% - 2025 and 0%: 2024

Future minimum lease payments

Up to 1 Year	884,349	878,135
5 or More Years	-	-

22.3 Operating Lease - Cape Town Office

The FPB acquired office space for their regional office situated in Cape Town. The lease agreement was entered into for a period of 5 years effective from 1 March 2016 to February 2021 and it was further extended for additional 12 months from 01 March 2021 to 28 February 2022 and it was again extended for another 12 months from 1 March 2022 to February 2023. The lease was further extended for another 12 months from 1 March 2023 to 28 February 2024.

The current extension is valid from 1 March 2024 to 28 February 2025. In 2025, a new long-term lease agreement was entered into, commencing on 1 March 2025 and valid until 28 February 2030, with an annual escalation of 8%. This marks a strategic long-term occupancy commitment by the FPB for its Western Cape regional operations. The lease is treated as an operating lease, with future commitments recognised in accordance with the relevant accounting standards.

Operating leases liabilities for this lease fall due as follows:

There is no contingent rental payable in terms of the agreement.

Annual escalations 8% (2025 and 2024)

Future minimum lease payments

Up to 1 year	521,442	690,707
2 - 5 years	2,474,224	-
5 or more years	-	-
	2,995,666	690,707

Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
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23. Contingencies

Contingent liability for labour disputes (23.1)	-	13,598,134
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23.1 Litigation and claims

23.1.1 This amount previously related to a labour dispute between the FPB and the Union (NEHAWU). NEHAWU had launched an application on 27 January 2023 before the Labour Court, seeking specific performance by the FPB in terms of a collective agreement concluded between the parties.

In 2025, the matter was heard and dismissed by the Labour Court in favour of the FPB. The court ruled against NEHAWU, and no costs or damages were awarded against the FPB. As of the reporting date, there is no further litigation or outstanding legal claims against the FPB relating to this matter.

23.2 Accumulated surplus

In terms of the section(53)3 of the PFMA, a public entity may not accumulate surplus funds without approval from National Treasury. Approval will be requested from National Treasury to retain current year's accumulated surplus. In the preceding years, the National Treasury has always allowed the retention of the accumulated surplus.

24. Events after the reporting date

On 16 April 2025, the Chief Executive Officer ceased to hold office. This event occurred after the reporting date and does not affect the conditions that existed at year-end. The process of appointing a new CEO is underway.

25. Related parties transactions

FPB is a section 3A Public Entity listed in the PFMA. In terms of the PFMA, FPB is mandated to report to the Minister of Communications and Digital Technologies as its Executive Authority

Related parties transactions

Amounts paid to (received from) related parties

- | | | | |
|----|------|-------------|-------------|
| 1. | DCDT | 103,098,000 | 103,860,000 |
|----|------|-------------|-------------|
- SITA - FPB procured ICT-related services from SITA for the financial year 2023/24 to the value of R2,090,234 and the commitments to the value of R972,124.00 (R972,124.00 - 31 March 2023). SITA and FPB are part of the same economic portfolio that is under the control of the DCDT.
 - ICASA - During the financial period from November 2024 to June 2025, an employee of the FPB was seconded to the Independent Communications Authority of South Africa (ICASA) to serve in the role of Procurement Manager. The FPB and ICASA are both public entities within the South African government framework and fall under the oversight of the Department of Communications and Digital Technologies (DCDT). The seconded employee remained on the FPB payroll during the period of secondment. All salary and benefits were borne by FPB, with no direct remuneration or compensation paid by ICASA to the employee. However, ICASA reimbursed FPB for the cost of the employee's services, amounting to R661,197.00 for the duration of the secondment.
 - SABC - The Film and FPB entered into a lease agreement with the South African Broadcasting Corporation (SABC) for office space used to support its Western Cape regional operations. The agreement is for a period of five years to the value of R3,038,831.95 under this lease arrangement. The lease agreement commenced on 1 March 2025 and valid until 28 February 2030. The new lease includes an annual escalation of 8%, reflecting prevailing market conditions and supporting FPB's strategic decision to maintain a stable operational presence in the Western Cape. Furthermore, the FPB procured airtime on channel Africa for the interview of the CEO during the year under review to the value of R80,500.00.

Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
Remuneration of management		
Management class: Councillors		
Councillors/Board members		
Nevondwe, LT	307,571	284,280
Mkosi, Z (Chairperson)	225,060	377,798
Tyali, SM (Deputy Chairperson)	312,984	309,622
Nxele, L	273,608	261,272
Sedibe, M	155,295	203,726
Pillay, M	108,141	198,860
Nkosi, GZ	224,987	175,306
Mashangoane, PJ	240,851	271,085
Nontso, A	162,733	246,242
	2,011,230	2,328,191

Management Class: Executive Management

2025 - Executive Management

Name	Basic salary	Bonuses and performance related payments	Retirement fund contributions	Medical Aid Contributions	Group Life Insurance	13 th Cheque	Cell phone Allowance	Total
1. Boloka, M - Chief Executive Officer	2,069,979	20,413	120,360	86,492	56,579	182,947	55,440	2,592,210
2. Tlhako, E - Technology Support and Platform Monitoring Executive*	1,986,700	20,413	-	-	-	-	55,440	2,062,553
3. Lindhorst, M - Regulatory Development and Enforcement Executive **	1,761,490	20,413	102,242	91,665	48,062	-	55,440	2,079,312
4. Nkumanda, B - Corporate Service Executive	1,616,553	20,413	74,232	-	42,865	136,431	55,440	1,945,934
5. Ramugadi, H - Chief Financial Officer	1,749,224	20,413	91,187	-	42,865	11,223	55,440	1,970,352
	9,183,946	102,065	388,021	178,157	190,371	330,601	277,200	10,650,361

* Tlhako, E commenced acting as CEO from 12 February 2025 to date.

** Lindhorst, M acted as CEO from 17 August 2024 to 11 February 2025 (a period of 6 months). It is noted that she was not paid any remuneration for the acting period.

Key management personnel have also been identified as related parties because of the position that they hold and their remuneration has been disclosed above. There were no commitments to related parties for the year-ended 31 March 2025 and 31 March 2024.

FILM AND PUBLICATION BOARD
Financial statements for the year ended March 31, 2025

2024 - Executive Management

Name	Basic salary	Bonuses and performance related payments	Retirement fund contributions	Medical Aid Contributions	Group Life Insurance	13 th Cheque	Cell phone Allowance	Total
1. Boloka, M - Chief Executive Officer	2,020,193	41,917	107,754	52,501	49,567	-	55,440	2,327,372
2. Tlhako, E - Technology support and Platform Monitoring Executive	1,896,901	-	-	-	-	-	55,440	1,952,341
3. Lindhorst, M - Regulatory Development and Enforcement Executive	1,962,307	-	96,744	52,501	44,502	-	55,440	2,211,494
4. Litha, M - Corporate Service Executive *	269,701	-	12,775	-	5,877	-	9,240	297,593
5. Nkumanda, B - Corporate Service Executive (Acting) **	258,550	-	11,764	-	6,711	129,640	9,240	415,905
6. Ramugadi, H - Chief Financial Officer ***	1,494,660	-	79,302	-	36,479	-	50,038	1,660,479
	7,902,312	41,917	308,339	105,002	143,136	129,640	234,838	8,865,184

* Litha, M resigned on 12 June 2023.

** Nkumanda, B commenced acting from 13 June 2023 to 31 January 2024 and subsequent to that she was appointed from 1 February 2024.

*** Ramugadi, H was appointed from 8 May 2023.

Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
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26. Risk management

Liquidity risk

The FPB is only exposed to liquidity risk with regard to the payment of its payables and finance lease obligation. These payables are all due within the short-term. The FPB manages its liquidity risk by holding sufficient cash in its bank account, supplemented by cash available in investment accounts.

At March 31, 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	13,928,079	-	-	-
Finance lease liability	265,638	144,931	-	-

At March 31, 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	15,248,165	-	-	-
Finance lease liability	236,325	410,569	-	-

Interest rate risk

FPB invests surplus cash on which it earns interest income. The interest income is not independent of changes in market interest rates.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the entity.

Maximum exposure to credit risk

FPB's exposure to credit risk to loans and receivables is limited.

The entities maximum exposure to credit risk is the carrying amount of the financial assets.

FPB credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables are exposed to a low credit risk as most of FPB's revenue transactions require deposits.

Financial assets	2025	2024
Cash and cash equivalents	25,891,476	33,068,531
Receivables from exchange transactions	5,335,456	3,096,161
	31,226,932	36,164,692

Financial liabilities	2025	2024
Finance lease liability	410,569	646,894
Payables from exchange transactions	13,109,725	14,650,670
	13,520,294	15,297,564

Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
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27. Fruitless and wasteful and Irregular Expenditure

	-	-
Fruitless and wasteful expenditure	1,297,674	7,860
Irregular expenditure	4,000,057	295
Closing balance	5,297,731	8,155

Please refer to the annual report for the reconciling Notes of the fruitless and wasteful expenditure and irregular expenditure.

28. Prior period errors

1. ICT related services invoices that were received in the current year

An invoice for ICT-related services (data) amounting to R663,605.00 relating to the prior financial year was only discovered in the current year. The expense and corresponding liability were not recorded in the prior year.

2. Online license fees

The contracts with an online distributors that were concluded and signed during the 2024/25 financial year but relates to the prior year 2022/23 and 2023/24. The total adjustment processed for statutory receivables amounted to R10,035,123.00 comprising R3,235,123.00 relating to revenue recognised for the 2023/24 financial period, and R6,800,000.00 attributable to the 2022/23 financial period. The financial statements have been retrospectively restated in accordance with GRAP 3 to ensure that revenue is recognised in the correct reporting periods. This approach ensures a transparent and accurate reflection of the entity's financial performance and position, providing users with reliable comparative information.

3. Incorrect depreciation rate applied

A prior period error was identified relating to the depreciation of a vehicle. In previous reporting periods, the asset was depreciated using an incorrect depreciation rate that did not align with the asset's expected useful life in accordance with the entity's accounting policy. As a result, depreciation was understated by R179,740.55, and the carrying amount of the asset and accumulated depreciation were misstated.

The amount of the correction on the affected financial statement line item is.

	As previously stated	Adjustment	Restated balance
Statement of financial position as adjusted:			
Property, plant and equipment	7,993,500	179,741	7,813,759
Trade and other payables	(14,584,567)	(663,598)	(15,248,165)
Accumulated surplus opening balance	(47,766,537)	3,129,331	(44,637,206)
Statutory receivables	3,123,253	10,035,123	13,158,376
	-	-	-

	As previously stated	Adjustment	Restated balance
Statement of financial performance as adjusted:			
Regulation fees	9,826,374	3,235,123	13,061,497
General expenses (telephone and data)	(38,950,614)	(663,598)	(39,614,212)
Depreciation	(2,857,369)	(179,741)	(3,037,110)
	-	-	-

Notes to the Financial Statements (continued)

Figures in Rand	2025	2024
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Statement of cashflow

The impact of the error on the statement of cashflow was an increase in the regulation fees R3,235,123.00 and administrative expenses by R663,598.00 and the depreciation of R179,741.00 and the net of R2,391,784.00.

29. Commitments

Authorised capital expenditure

Already contracted for but not provided for

Property, plant and equipment	1,028,031	820,156
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Total capital commitments

Already contracted for but not provided for	1,028,031	820,156
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Authorised operational expenditure

Already contracted for but not provided for

Already contracted and provided for	29,021,265	30,682,061
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Total operational commitments

Already contracted for but not provided for	29,021,265	30,682,061
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Commitments disclosed relates to contracts awarded but not completed before 31 March 2025 The operating lease commitments have been disclosed in Note 22. Cash and cash equivalents balance disclosed in Note 3 as well as the MTEF budget will be utilised to finance these commitments during the 2025/26 financial year.

30. Changes in accounting estimate

GRAP 17 – property, plant and equipment requires the review of the useful life of an asset at least at each financial year end. The FPB revised the useful life as of 1 April 2024 for various category of assets within the range that was initially approved in 2015/16 financial year. The assumptions were revised as follows:

Leasehold improvement – additional 12 months
Computer software – additional 12 months
Computer equipment – additional 12 months
Motor vehicle – additional 12 months
Office equipment – additional 12 months

The effect of the change in accounting estimate on the current year's results was an increase in the current year's surplus by R114,660.00 The effect of the change in accounting estimate on future financial periods will be a decrease in net surplus by R114,660.00.



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